The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Britain's Latest Gesture Toward China

By C. Y. W. Meng

Is The War Over?

Russian Policy in the Present Circumstances

The Opium Monopoly in the Powers' Far Eastern Colonies

By Garfield Huang

The Present Crisis in Chinese Industry

"Two Complete Years of Nationalist China," a New Book by Dr. M. T. Z. Tyau; Britain's China Policy in the Present Circumstances; Harbin Also Has Its Religious Problems and Complications, by E. U. Barung; The American Challenge to China's Tung Oil Monopoly, by Arthur A. Young; China's Importation of Japanese Cocoons, by Paul K. Whang; Foreign Competition and China's Cotton Mills, by B. Y. Lee; The Fight for Far Eastern Markets; Foreigners Now Subject to Chinese Passport Regulations; In the Field of National Reconstruction.

SATURDAY, AUGUST 30, 1930 VOLUME 53, NUMBER 13

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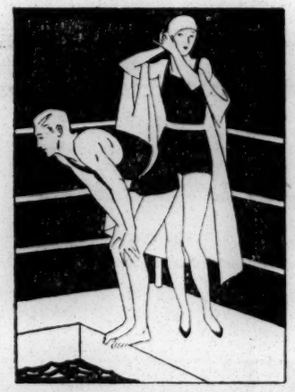

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The China Weekly REVIEW

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NOTICE

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RUSSIAN POLICY IN THE PRESENT CIRCUMSTANCES

EVIDENCE from Central China, plus reports from the official Soviet newspapers, leave little doubt regarding the hand of Moscow in the recent communist activities in the interior districts of China south of the Yangtsze River. Communists "armies" or more accurately, mixed gangs of Chinese communists and bandits, who have been ravaging the interior provinces of Kiangsi and Hunan, have received both material and moral support from Soviet Russia. While officials of the Chinese National Government and foreign diplomatic officials in China may lack definite information in the form of actual names of Soviet agents or knowledge of specific sums transmitted, there is sufficient circumstantial evidence available in the official publications of the Soviet Government and the Third International to convict the Moscow authorities of direct interference in China's domestic affairs. And aside from what Russia is doing in South China, there is the further record of open aggression in Mongolia and on the North Manchurian frontier. The *Sin Wan Pao*, one of the leading Chinese newspapers in Shanghai, on August 14 published a long report regarding Soviet activities in Mongolia which stated that the so-called Mongolian and Tibetan Affairs Committee at Nanking had received fresh information to the effect that Moscow recently had sent communist organizers into Inner Mongolia with the object of increasing Soviet influence in that territory with the ultimate intention of bringing Inner Mongolia into the Russian sphere which now includes Outer Mongolia. The editorial in the *Sin Wan Pao* reminded present-day Chinese of what happened to China in the Sung Dynasty (1200-1300) when the Mongols over-ran most of the country and established a new dynasty in Peking.

The recent completion by the Soviet Government of the so-called "Turkish-Siberian" railway which parallels China's western border, indicates most plainly the intentions of the present rulers of Moscow to bring all of China's western and northwestern lands within the Russian sphere. Some say that Moscow's real ambition is to restore the old empires of Ghenghis and Kublai Kahn, and the evidence points in that direction. That China senses the danger was indicated in the discussions and resolutions passed at the recent conference on Mongolian affairs which was held in Nanking. But, as indicated in the editorial discussion in the *Sin Wan Pao* it will take more than paper-resolutions to increase Chinese prestige and

influence in these long-neglected western districts. The Russian penetration of these districts with modern railways and telegraphs and wireless means just one thing, the splitting off of these vast areas and their ultimate annexation by the Soviet.

As stated, this Russian menace cannot be offset by the holding of conferences and the passing of ambitious resolutions. China must adopt a broad practical program of development in these territories that will have the effect of linking them with and bringing them into active contact with the development taking place in the provinces of China proper. This in turn, presupposes the existence of a strong central government that will have the vision and strength to build railways, motor-roads, establish wireless and telegraphic communication and develop air-mail-passenger lines. It's a case of fighting fire with fire and there should be no question of China's ability to hold her own in this battle providing she can develop a central government that commands the respect and support of the Chinese people. China has an advantage in this battle with the Russians because China has a vast industrious population, something which Russia lacks. China needs these lands of Central Asia as an outlet for her surplus population and the resources of these unexplored areas are needed for the industrial development of China proper. With an established government commanding respect at home and abroad, China should experience little difficulty in obtaining the financial and technical assistance necessary for these development projects in Central Asia which are necessary to meet the Russian aggression.

Reverting to the question of Russian policy toward China, one wonders when sanity again will return to those responsible for the formulation and direction of Moscow's China policy. In 1927 Soviet Russia had an opportunity in China not unlike that possessed by France in connection with the American revolution. But Russia threw her opportunity to the winds by violating her agreement with the Kuomintang through seeking to turn the Chinese revolution into channels selfishly beneficial to the Soviet state and the world-wide spread of communistic doctrines. This had the inevitable effect of antagonizing the Chinese intellectual leaders and making them violent enemies of everything Russian. Any Chinese leader today advocating even a limited resumption of diplomatic relations with the Soviet is under suspicion which situation doubtless will continue for many years, even though the Russians should change their present policy of interference in China's domestic affairs. Where in 1927 Chinese political and educational and commercial leaders generally evinced a friendly interest in Russia, that situation has now so completely changed that the only interests professing pro-Russianism are a few gangs of ragamuffin bandits and communists in the interior provinces. When the National Government finishes with the present civil-war situation, it should be able to eliminate the Moscow-supported communist gangs in short order. There are innumerable reasons why China and Russia should be friends. They have a common boundary of thousands of miles and a record of racial contact that has existed for centuries. By cooperating, the devolopment of Central Asia could be speeded tremendously. By opposing each other, this development is retarded, and seeds sown for future conflicts which might well develop into another world war. An element in the situation which the Russians have failed to recognize is that their constant intrigue in China constitutes a major reason for American and other Western suspicion and antagonism toward Soviet Russia, which situation will continue until there is a fundamental change in Russian policy toward China and the Chinese people.

BRITAIN'S CHINA POLICY IN THE PRESENT CIRCUMSTANCES

ELSEWHERE in this issue of *The Review* appears two articles of more than usual interest dealing with Britain's present policy toward China. One article by a Chinese writer, C. Y. W. Meng, is strongly critical of the action of the British Government in delaying the rendition of the former British naval-base at Weihaiwei. The other article is reproduced from the *Manchester Guardian* and gives details regarding the personnel and purpose of the British trade mission which is visiting China shortly. These articles, dealing with contradictory phases of British policy toward China remind one of a statemeet by a British writer, P. W. Wilson, in a recent number of the *London Sphere* dealing with British policy toward the United States, wherein Mr. Wilson declared that the British Government had a faculty for doing the right thing *too late*, "only after the maximum of misunderstanding had worked the maximum of disadvantage to British interests, and particularly to the prospects of permanent peace in a disturbed world." A Chinese of our acquaintance, who was educated in England, recently confessed his inability to understand certain phases of Britain's present policy toward China. We list the points in the order that he mentioned them: (1) The refusal of the British Government to transfer its Legation from Peiping to Nanking; (2) Delay in the rendition of Weihaiwei; (3) The granting of refuge to Wang Ching-wei, Left Wing Kuomintangist, in the British colony of Hongkong; (4) Failure to Prevent Lenox Simpson (Putnam Weale) from taking possession of the Tientsin custom house on behalf of the Northern rebel military coalition.

Of these four "points" the first, the apparent refusal of the British Government to transfer its Legation from Peiping to Nanking (or Shanghai, while granting recognition to the National Government, already has been referred to in these columns of *The Review*, our comment being based on *Reuters* reports from London dealing with the same subject. Statements by members of the British Government, or at least the Labor Party, which controls the government, which have been telegraphed to the Far East indicate the apparent desire to the British authorities to establish a diplomatic office in Nanking, somewhat along the lines which the American, Japanese and other foreign governments have followed. But for some unknown reason, Sir Miles Lampson, the British Minister seems to prefer Peiping, or at least the sea-side resort at Peitaiho, where he is said to be spending the summer. The second point, that of the delay in the rendition of Weihaiwei, also has received comment,—comment in abundance in the past eight years which have elapsed since that day at the Washington Conference when Britain agreed to surrender her Shantung naval base when Japan relinquished control of the Kiaochow Bay area.

Japan got out of Kiaochow Bay almost immediately after the close of the Washington Conference, but Britain is still in Weihaiwei and according to recent report from London, the final relinquishment is not to take place until this fall "after the conclusion of the present civil-war."

The other matters, the granting of refuge to Wang Ching-wei in Hongkong and the Simpson affair at Tientsin, are intimately connected with the present civil-war situation. In referenee to the granting of refuge to Wang Ching-wei in the British colony at Hongkong, British officialdom at Hongkong have been quoted in the Chinese newspapers as stating that their reason for this action was based on the belief that Wang Ching-wei "might come back," hence they did not desire to offend him and his followers. Regarding Simpson, British policy has been a still greater puzzle to the Chinese as the British authorities have unquestioned authority under their Orders in Council to take action against him. But they have not acted and apparently intend to permit nature to take its course regarding this journalistic buccaneer who has done more to damage British prestige in the eyes of the Chinese than any other Britisher in many years.

British policy toward China in recent years, particularly since the Nationalists came into power has generally not been such as to give the Chinese confidence in Britain's real intentions in respect to this country. The trouble seems to be that whereas British policy formerly led in China, in recent years it has lagged behind the other Powers and has created the impression among the Chinese that the British Government, owing to unsettled political conditions in England, lacks the power of decisive action or is only half-heartedly interested n the National Government to which it has granted recognition. While there has been an improvement in the Chinese attitude toward Great Britain since the boycott days of 1925, 1926 and 1927, the situation is still unsatisfactory, particularly from the standpoint of the present British attitude toward Nanking which has given the Chinese the impression that while Nanking has received recognition, the British Minister is still not convinced that the National Government will survive the attacks of its present enemies, hence considers it good policy to play both ends of the game by remaining in Peiping where his presence undoubtadly gives much comfort to the Northern rebel factions.

Chinese officialdom who are familiar with the unsettled political and economic conditions prevailing in Great Britain are hoping that the visit of the British Trade Delegation to China will result in an improvement in British diplomatic policy. They are basing this hope on the fact that since Britain can have no further political ambitions in respect to China that the powerful commercial and industrial interests, when informed of real conditions in China, will have sufficient influence to cause the government to adopt a more clean-cut and decisive policy.

The Chinese newspapers on Wednesday, August 27 gave prominence to a dispatch from Nanking stating that the National State Council held a special meeting on August 26 for the purpose of considering the British Minister's reply to Nanking's protest regarding the activities of Lenox Simpson. The text of the British Minister's reply was not disclosed, but the report in the Chinese newspapers quoted Nationalist officials as stating that the note contained "inappropriate terms," and was considered "highly unsatisfactory," by the National State Council. The meeting of the State Council, which was attended by Tan Yen-kai, Hu Han-ming, Dr. Wang Chung-hui, Dr. C. T. Wang and other high officials of the Government voted unanimously to send the British Minister another and stronger note, "pointing out the incorrect attitude of the British Government in respect to the Simpson case." The *Peiping Leader* (Gen. Yen's official organ) on Augut 14, printed an interview with Lenox Simpson (Putuam Weale) wherein Simpson termed Nanking's protest to the British Minister as an attempt on the part of the Central Government authorities to force the British Government to interfere in China's domestic affairs. Simpson declared in effect that his activities in connection with the Tientsin custom house was no affair of the British Government as he had been authorized to seize the Tientsin custom house by Gen. Yen Hsi-shan, the head of the Northern Military Coalition. It was reported at the time of the dispatch of Dr. C. T. Wang's second protest to the British Minister that the Chinese Government had called the British Minister's attention to the fact that Simpson's activities in "aiding and abetting a rebel faction" constituted a violation of the British Orders in Council.

"TWO COMPLETE YEARS OF NATIONALIST CHINA"

Two Years of Nationalist China by Dr. M. T. Z. Tyau; illustrated: Shanghai, Kelly and Walsh, Ltd.

FOR THOSE who are desirous of a report on the National Government, its organization and accomplishments, without argument — in short, the complete story of the government which now functions in Nanking—that story may be found in Dr. M. T. Z. Tyau's new book, "Two Years of Nationalist China, which was issued from the press of a Shanghai publisher this week. The book appears formidable, in that it has more than 500 pages, but an inspection of those 500 pages shows the value of Dr. Tyau's research into the idea which inspired a small group of patriotic Chinese in Canton a few years ago when they started out to develop a new administrative regime for the Chinese Republic. The book tells the story of their accomplishment, written by a friend of both the Government and the Kuomintang. It is not Dr. Tyan's first book: he has written several others, one, "China Awakened," being publish-in 1922. Two others dealing with China's treaty obligations, constitutional and international problems, were published in 1917 and 1918. As for Dr. Tyau, he is a native of Kwangtung, is forty-two years of age and educationally is a product of American and British schools. At the age of seven he was sent to Honolulu and upon his return entered St. John's University at Shanghai from which institution he was graduated at the head of his class. In 1909 he went to England and studied law at the University of London, receiving the LL.D. degree in 1916. Since returning to China he has occupied government positions, taught in various universities and once edited an English-language newspaper in Peiping.

While the purpose of the book, apparently, is to present China's case at the coming Assembly of

the League of Nations at Geneva, where China is a candidate for a seat on the Council, it is of value to the general reader in that it gives the story of the Chinese nationalist movement from 1926 to the present, with a complete exposition of what the Nationalist leaders are trying to accomplish in Nanking today. Since the world is interested in China as China, regardless of the government that happens to be functioning in the national Capital, Dr. Tyau's book doubtless will enjoy an extensive circulation in that it describes in detail, with numerous charts, illustrations and statistical data, just what the particular group of Chinese leaders in Nanking today are trying to accomplish under the National Government.

In the introduction, Dr. Tyau states that it augurs well for the promotion of international harmony that China has become articulate enough to insist on a hearing "and that the writing on the wall has been heeded by all and sundry." He declares that the travails and tribulations of China's four hundred millions may continue for a few years more, but the end can never be in doubt. To use his words, "As the sun rises in the east, so surely will the advent of a united and happy China come to pass. . . Puny 'King Canutes' of today, be they reactionaries in the country or imperialists in other countries, will avail little against the surging tide of Chinese Nationalism. . . It's all a question of time and the Chinese may be expected to work out their destinies in their own way...Schooled in the experience of fifty centuries, they will assuredly solve their problems with their innate genius and perhaps modern methods...Well wishers of China will render a genuine service by fortifying themselves with a full measure of kindly sympathy and goodwill..."

The book opens with a copy of Dr. Sun Yat-sen's will and a reproduction of the Kuomintang and Nationalist flags, which are followed by twelve chapters giving a historical summary of what happened between July 9, 1926 and April 18, 1930; the Kuomintang, its history, organization, program and relation to the National Government; the National Gorvernment, its organization and functions; Administration under fifteen sub-headings including home and foreign affairs, military administration, finance, agriculture, industry, commerce and labor, education, communications railways, public health, reconstruction, opium, famine, and so on. The functions of the five Government Yuans are explained together with an interesting description of the new Capital which is planned for Nanking. Finally, there is a chapter on statistics. Also, the book presents the first published figures dealing with the membership of the Kuomintang party, classified as to distribution and occupations, information which the die-hards have claimed they desired before consenting to a revision of the treaties pertaining to exterritoriality. The appendix takes up about 100 pages and contains valuable information for the student regarding Kuomintang congresses, treaties signed in the past two years and much about the personnel of the government. The illustrations and charts, which make up much of the book, are equally instructive, two or three pages showing the air-views of Nanking which were made under the direction of the Government last year, but had not been published. There is also a view of that modest room in the official residence of Dr. C. T. Wang, Foreign Minister, "where twenty agreements and treaties with foreign nations have been signed in the past two years."

Is The War Over?

Two Nationalist airplanes carrying bombs flew over Peiping early on the morning of August 27 and dropped bombs in various parts of the city. According to reports by both *Reuters* and *Rengo* the bombs did little damage, although dropped in strategic places. Some of the bombs fell in the vicinity of the building where the so-called "Extended Party Congress" of estranged Kuomintang members have been holding their conferences. While *Reuters* report claimed the bombing of Peiping attracted little attention on the part of the public, *Rengo* insisted it "caused a panic among the local populace." After bombing Peiping the airplanes flew over Tientsin and after reconnoitering the place, flew back to their base, apparently at Tsinan, Capital of Shantung.

FROM superficial evidence, based largely on reports which have appeared in the Chinese and foreign newspapers since the defeat of Marshal Yen Hsi-shan and capture of Tsinan (August 15) by the Central Government forces, the major military phases of the present civil war between the Government and the rebel forces of Yen Hsi-shan and Feng Yu-hsiang, practically have been completed. While it always is unsafe to make forecasts, the available evidence seems to point in the direction of ultimate peace without much further serious military campaigning with the exception, of course, of a final clash between the forces of Gen. Chiang Kai-shek and Marshal Feng Yu-hsiang on the Lung-Hai railway in north-central Honan. So far as Gen. Yen Hsi-shan is concerned, he apparently is out of the struggle. While there have been no authoritative estimates of Yen's losses in the Shantung adventure, officials of the National Government claim that Yen lost approximately 70,000 troops. The Peiping correspondent of the Japanese *Rengo* news service in a dispatch on August 21 estimated Yen's losses as follows: soldiers lost (killed ?) 30,000; wounded, 10,000; captured, 20,000. If these figures are correct, it means that the Government troops, operating in Shantung have been responsible for the most important disbandment enterprise since the National Government came into being. But whether Yen's losses were 50,000 or 70,000 the facts in the situation seem to be that the so-called "model" governor is finished as an important rebel element with which the Central Government has to contend. Recent reports from Peiping state that Yen only has about 30,000 troops left and that their value as a fighting unit is questioned owing to the loss of morale occasioned by the Shantung defeat.

Reports which have appeared in the newspapers in the North, particularly, in Gen. Yen Hsi-shan's organ, *The Peiping Leader*, have tended to minimize the Shantung defeat and to create the impression that Yen intends to continue the struggle. While Tsinan was captured by the Government troops on the afternoon of August 15, the readers of Gen. Yen's newspaper in Peiping were not apprised of that important development until the morning of August 19, four days later, when the *Leader* published an *urgent* telegram from Gen. Yen reading as follows,

"The recent withdrawal of troops cannot be called a retreat as it was a pre-arranged, strategic move. With the exception of some minor losses in the Pao-an troops (peace-main-

tenance force), all of our forces have been withdrawn to safety. Please forward this message to the various foreign Legations." (signed)
YEN HSI-SHAN.

However, there were other evidences in the Northern camp that the Shantung reverse was serious, the most important being the dispatch of numerous emissaries to Peitaiho for the purpose of obtaining the assistance of Marshal Chang Hsueh-liang, the leader of the Manchurian forces. Also, there was a frantic "special message to the *Leader*," which apparently was inspired by Putnam Weale, who is Yen's customs commissioner in Tientsin. This message reported that one P. R. Walsham, reputedly a chief secretary to F. W. Maze, Inspector-General of Customs at Shanghai, had arrived in Tientsin in company with a Chinese named Ting Kuei-tang. The "sudden" arrival of these customs officials from Shanghai apparently had given Putnam Weale a serious shock, for the message demanded that they be placed under surveillance, "otherwise they might impart important military information regarding conditions in the North to Gen. Chiang Kai-shek."

The mission which Gen. Yen sent to Peitaiho to obtain military assistance from the "Young Marshal" included Gen. Fu Tso-yi, defense commissioner at Tientsin and a number of other high Shansi officials and in addition several members of the Kuomintang "Reorganizationists" including Chen Kung-po and Quo Tai-chi. However, little apparently was accomplished by Gen. Yen's emissaries, further than a promise by Marshal Chang Hsueh-liang that he would take up the matter with the other members of the Manchurian administration upon his return to Mukden. Marshal Chang's return to Mukden, however, was delayed because of a wash-out on the railway, hence there is little possibility of Manchuria coming to the rescue of the Northern military Coalition. In fact Manchuria has sufficient trouble on her hands already without adding to the complication by sending troops south of the Great Wall to bolster up the waning fortunes of the Northern military and political factions. This was brought out in an address delivered in Nanking by Wang Chia-cheng, vice-minister of Foreign Affairs (a Mukden appointee) who returned last week to Nanking after two months in Manchuria. After assuring Nanking of the loyalty of the Northeastern provinces to the Central Government, Mr. Wang called attention to the serious problems facing Manchuria (*Shun Pao* report, August 26), stating that Manchuria is "sandwiched in between two strong aggressive Powers, hence is under constant apprehension of an alien menace". The influx of "undesirable" Koreans from the Japanese colony of Korea, had constituted a baffling problem as the Korean immigrants now numbered 900,000, scattered mostly in the interior of Kirin province. Turning to the Russian problem, Mr. Wang declared that communistic propaganda spread by the Soviet had seriously affected the Chinese youths and peasants to such an extent that Manchuria was rapidly becoming a "hot-bed" for the spread of communism throughout the country. In conclusion the Vice-Minister of Foreign Affairs declared that present problems facing Manchuria are deserving of the close attention of the entire country.

But while Marshal Chang Hsueh-liang will not provide the Northern rebel military and political factions with military support, there have been rumors in circulation that he may attempt to bring about a last-minute compromise that might have the result of saving a number of military and political faces north of the Yellow River. Just what form this "intercession" might take is not known, but various rumors have been circulated to the effect that Gen. Yen Hsi-shan had agreed to again use his influence in trying to induce Marshal Feng Yu-hsiang to accompany him on the long-discussed, but oft-deferred, trip abroad. Another rumor had it that Gen. Yen was seriously alarmed at the loss of most of his army and feared that the "Christian General", Feng Yu-hsiang might take advantage of the situation and invade Yen's home base in Shansi province. To prevent such a development, Yen was reported to have informed Marshal Chang Hsueh-liang that he (Yen) would be willing to give up the struggle, rejoin the Government, and unite in a drive against Feng Yu-hsiang. At any rate, Gen. Yen seems to be more or less out of the struggle, even though there have been reports that his ally, Feng Yu-hsiang had agreed to "lend" him some troops from the Lung-Hai front in order to prevent the Government's forces from driving directly northward on the Tientsin-Pukow railway, with the object of taking Tientsin and Peiping.

While Gen. Chiang Kai-shek has announced his intention of concentrating his forces against Feng Yu-hsiang's Kuomintang troops on the Lung-Hai and Peiping-Hankow railway sectors in Honan province, there also is evidence that Gen. Chiang is making preparations for an advance on Tientsin by way of Techow, located to the north of Tsinan on the Shantung-Hopei border. A dispatch from Tsinan which was circulated by the official *Kuo Min* service on August 25 claimed that Yen only has 5,000 troops stationed in Techow, hence little resistence to the Government forces on that front was expected. A chief reason for the Government's desire to occupy Tientsin as quickly as possible is explained by the necessity of obtaining control of the Tientsin custom house and thus cutting Yen off from his chief source of financial supplies. Also, it has been reported that certain officials of the Nanking Government are desirous of putting an end to the activities of Lenox Simpson, British writer and propagandist, whom the Nationalists hold chiefly responsible for the stirring up of the Northern rebellion.

GOVERNMENT MANDATE

Although the Government is making full preparations for a continuance of military activities, there also is evidence that Nanking's leaders would like to settle the remainder of the conflict by peaceful means. This was indicated by the issuanec of a Mandate, by the State Council on August 25 holding out the olive-branch to the officers and troops under the commands of Yen and Feng. The text of this mandate, which was inspired by a telegram from Gen. Chiang Kai-shek, was as follows.

The Mandate

"A telegram from Commander-in-Chief Chiang states: Three months have elapsed since I was entrusted with the duty of suppression of the Northern Rebellion, and fortunately due to the prestige of the Central Government I have succeeded in dealing crushing blows to the rebel forces along the Lung-Hai, Ping-Han and Tsin-Pu fronts and in recapturing Tsinan.

Hot pursut of the retreating forces is now being planned in order that they may be eradicated once for all.

'Since the completion of the Northern Expedition, the one objective to which the Government has consistently adhered has been the peace and unification of the country.

'The enforcement of the Political Tutelage Program as well as the National Military Disbandment and Reorganization Program have all been decided upon at conferences and have in no case been dominated by any dictatorial or personal influences.

'The allegation that the Government has been bent upon plunging the country into the whirlpool of civil war, is absolutely unfounded and false.

Leaders Denounced

Even when the rebellious attitude of Yen and Feng became fully apparent, the Government still attempted to persuade them to awaken to their mistakes in the hope that peace might thus be preserved.

'Refusing, however, to listen to the remonstrances of the Government they have endeavored to utilize their force to destroy the unification of the country.

'The more lenient the attitude of the Government, the more intense was their sinister desire to revolt against the Government to and plunge the country into the horrors of war.

'It was only when all attempts to avert war had failed that an expedition was launched. Notwithstanding that, orders for arrest and punishment have been issued only against the rebel leaders.

'Though the rebels have suffered repeated reverses at the hands of our forces, instead of rejoicing over our victories I am oppressed by feelings of deep sorrow for the sufferings brought upon the people and the deplorable condition into which the country has been plunged.

Plea For Leniency

'At this time when the main forces of Yen and Feng have been crushed and the day for their total collapse is not far off, it is hoped that the Government—in view of their past meritorious services to the cause of the Revolution—will be lenient and accord to all the subordinate officers and soldiers of the rebel armies the opportunity to rectify their past mistakes.

'I would therefore propose that a proclamation be issued to all the officers and soldiers now in the rebel camps to the effect that they will be generously rewarded should they, upon realization of their duty to the country and the Government, arrest and deliver the rebel-leaders to the Government for punishment, and that they will be given by the Government the same treatment as is accorded to its own forces, should they turn over to the Government and thereby compel the rebel-leaders to relinquish their military power and leave their base.

'The objectives which the Government has ever had in view are no other than the unification of the country, the upholding of law and order, and the overthrow of the existing "feudalistic regime."

Peaceful Means Urged

Upon the realization of these fundamental aims, the Government is willing to solve all minor differences by peaceful means.

"The country is now in a state of dire distress thereby providing the Communists with the rare opportunity to create disturbances and stir up troubles which have of late spread like a prairie fire throughout the country.

'This threatens to be one of the most serious menaces to the nation.

'Realizing my own incapability and the fact that the mission entrusted to me has not yet been completely fulfilled, I have often considered it a personal disgrace that comrades who have experienced all kinds of hardships and faced grave dangers together during difficult years should be allowed to kill each other; and, what is more, that the Communists should be given the opportunity to bring misery and suffering upon the people.

Soldiers "Duped," He Charges

'I have always entertained the hope that some day all the officers and soldiers under the said rebels will realize their errors and ultimately choose the right path for themselves—not only to save themselves from personal ruin by further sacrifices for the personal interests of Yen and Feng and by refusing to be duped by the Reorganizationists who are merely creating opportunities for the Communists—but also to co-operate together for the complete extermination of the Communists and their allies, the Reorganizationists, so as to prevent beforehand a recurrence of the Wu-Han tragedy being staged once more at Peiping and Tientsin.

'It is needless to point out that I, who have always been striving for the unification and peace of the country and the accomplishment of the mission of the Revolution, am not fighting for selfish aims.

'Should the proclamation be once more ignored. I will not spare myself until the expedition is brought to a successful conclusion in order to relieve the people from further suffering and to consolidate the foundation of the country.' "

Rescript

"What the Commander-in-Chief has generously stated in the foregoing telegram is exactly a reiteration of the Government's policy towards which it has been working during the past year, namely, the unification of the country and the restoration of peace—a policy which has time and again been made known to the people since the outbreak of the present rebellion.

"It is clear that the rebels Yen and Feng, for their open revolt against the Government, can not be pardoned.

"But it is equally evident that all the officers and soldiers, who had also rendered commenable service to the cause of the National Revolution, deserve to be given the opportunity to rectify their mistakes; and lest they should be beguiled into the trap by the rebels, that the Government should forgive their past wrong-doings and take them back into its fold.

"It is hereby proclaimed that for all those who will turn from the wroug to the right path, the Government pledges to make no discrimination against them but will instead incorporate them into the National forces.

"Those who still choose to follow the rebels will never be forgiven by the nation.

"You are now at the cross-road. Which course to follow, the loyal or the rebellious, it is for you to elect."

RIVAL MILITARY STATEMENTS

The *Peiping Leader*, on August 21, the latest issue to be received in Shanghai, stated that Yen's reverses (or strategic withdrawal) in Shantung had necessitated a reorganization of his command and that Gen. Chang Yin-wu, mayor of Peiping, had been appointed deputy-commander of the Shansi forces in complete charge on the Tientsin-Pukow line, apparently displacing Gen. Fu Tso-yi, who had been in command on the Shantung front. In addition to this appointment, Marshal Yen appointed Gen. Yen Chang Yin-wu in command of all troops on the actual front facing the Government armies in the vicinity of Techow. Regarding the situation on the Lung-Hai, Gen Yen claimed that the Kuominchun had constructed such strong trenches about its positions in the vicinity of Lanfeng and Kaifeng that it would require an army of at least 20,000 men to make any impression. On August 20, Marshal Yen sent a telegram to the "Enlarged Plenary Kuomintang Conference" in Peiping stating that he intended to launch a new offensive on the Tientsin-Pukow front "as soon as Marshal Feng Yu-hsiang had captured a certain point on the Lung-Hai front. However, Gen. Li Sheng-ta, one of Yen's subordinate commanders at Tehchow sent a telegram to Yen demanding food and military supplies to replace the provisions and munitions which had been abandoned south of Yellow River. A further report which appeared in the *North China Star* (Tientsin) on August 20 declared, "there are wild rumors regarding conditions at the various fronts, in spite of the emphatic assurances of the authorities. Marshal Yen is now consulting Marshal Feng about new tactics."

Turning to Nanking's announcements regarding the military situation, an official *Kuo Min* message on August 26 from Hsuchow stated that the military alignment of the Government's forces on the Lung-Hai and Peiping-Hankow lines were in readiness for an advance. The report states that except for minor engagements south of Kaifeng, a general lull prevailed on the entire front. A force of about 3,000 Shansi forces which had been holding out within the walled city of Taian, was captured and disarmed by the National commander Ma Hung-kwei on August 24. Another Shansi force which had been holding out at Feicheng, to the west of Tsinan, had also been defeated and disarmed.

The exaggerated claims of the Kuominchun troops regarding successes against Gen. Chiang Kai-shek's troops on the Lung-Hai line, were shown to be without foundation by a dispatch from a foreigner, apparently a missionary, in the town of Kweiteh, in eastern Honan, which was published in the *Shanghai Times* on August 20. This dispatch stated that the reports of the capture by Feng's forces of the town of Kweiteh and Namuhtsi, were incorrect; that the Northerners had not been nearer to Kweiteh than seven miles. On August 12, the Kuominchun troops had been forced to retreat from this area and had it not been for the heavy rains, Feng's forces would have been driven back further.

Gen. Chiang Kai-shek is still maintaining his advanced headquarters at the village of Liuho, about thirty miles to the west of Kweiteh and had only been absent from this place for a period of two days when he flew to Tsinan to attend a military conference with his officers on the Tientsin-Pukow railway front.

SOONG'S FINANCIAL MISSION TO HANKOW

T. V. Soong, Minister of Finance in the National Government, went to Hankow by airplane on August 24 for the

purpose of inspecting financial conditions in the Wu Han. district and to devise plans for the rehabilitation of the provincial finances of Hupeh province. Reports circulated in Shanghai by the Japanese *Rengo* service stated that while in Hankow, Mr. Soong had arranged for the flotation of a $3,000,000 loan on the security of the salt tax and also had arranged for Hupeh province to accept $4,800,000 of the new $50,000,000 loan for currency and financial rehabilitation which was authorized by the National Government on August 16.

In an interview which appeared in the *Hankow Herald* on August 24, Mr. Soong stated that the new $50,000,000 loan would be devoted to rehabilitation purposes after the conclusion of the present war and expressed the hope that banking and commercial circles in Hankow would cooperate in making the loan a success. When questioned regarding the abolition of likin, Mr. Soong stated that arrangements had been made for a complete abolition of the likin system following the conclusion of the present war situation. Mr. Soong was accompanied to Hankow by Li Hung-chi, former commissioner of finance in Hupeh, and was met on his arrival at Hankow by a large number of Hankow officials and businessmen. He was scheduled to return to Shanghai on August 28. A report circulated by the *Kuo Wen* service stated that the $3,000,000 loan agreement in Hankow was signed on August 26.

According to a report which appeared in the *North-China Daily News*, Mr. Soong also has plans for opening the Shanghai Mint after the conclusion of the present war situation.

THREE-PROVINCE ANTI-RED MEETING AT HANKOW

Delegates from the three provinces of Hunan, Hupeh and Kiangsi met in Hankow on August 27 for the purpose of considering plans for the eradication of both communism and banditry. The meeting was called by Gen. Ho Ying-chin, Minister of War in the Central Government who is now in command of the Government troops in the Wu-Han district. The meeting was attended by both political and military officials, the list of delegates, in addition to Gen. Ho Ying-chin and other local Hankow officials, the following from Hunan and Kiangsi, Tan Chang-kai, Yu Hsiang-san, Yun Ching-yang, Gen. Lu Siao-sen, Chu Tu, Wu Hsin-yah, Gen. Yeh Ping, Gen. Peng Chi-piao, Gen. Ho Kuo-kwang and Gen. Wang Lun.

According to a report in the *Hankow Herald* on August 26, Gen. Chiang Kai-shek has ordered three government divisions from the front to the Hankow area for use in the campaign against the bandit-communist gangs operating in Hunan and Kiangsi. The troops transferred to Hankow include the 3rd Training Division under Gen. Hu Peh-han.

While reports were not available regarding the results of the "Three-Province Anti-Red Conference," which opened on August 27, Gen. Ho Ying-chin stated that the conference would devise a general plan for putting a definite end to the menace. Gen. Ho also declared that since Wang Ching-wei, Left Wing Kuomintang leader in Peiping, was directly responsible for the communist outbreaks south of the Yangtsze, that the conclusion of the Northern military campaign would also mark the collapse of the communist menace in the South.

Although the military authorities in Hankow reported that conditions remained quiet at Changsha and Gen. He Chien had ordered a resumption of river-transportation, reports circulated in Shanghai by the Japanese *Rengo* service on August 25 stated that a communist force of 5,000 led by Pao Teh-huei, Chu Teh, and Mou Tse-tung, had forced the evacuation of Gen. Ho Chien's troops and had occupied the town of Liuyang, located to the east of Changsha near the Hunan-Kiangsi border. The Japanese report alleged serious dissention within the ranks of the Government forces, which had the effect of creating renewed uneasiness in Changsha. It was claimed that the Japanese businessmen who had returned to Changsha were again making preparations for evacuation.

A report by the Chinese *Kuo Wen* agency claimed that the Szechuen commander, Gen. Kuo Erh-tung, had ambushed a large force of communists in the Tai Fah Temple mountains and had captured the entire communist "army" including a commander named Yu Fu-lung. A large number of communists documents had been seized giving detailed information regarding Chinese communist and Soviet Russian activities in western Hupeh province.

A dispatch by the *United Press* from Hankow on August 22 stated that executions of communists in that city averaged fourteen a week, the total being 72 since the Changsha affair. Foreigners who viewed one wholesale execution of nineteen communists in the street adjacent to the Custom House, stated that seven of them shouted Bolshevist slogans and sang red songs up to the time of their deaths.

Foreigners Subject to Passport Regulations

Important provisions relating to the entry of foreigners into China were contained in a set of regulations governing the examination of passports of foreign travellers, which were promulgated by the Executive Yuan and made public on Aug. 26. The following is a translation of the Regulations which was issued through the *Kuo Min* News agency.

Art. 1. Unless otherwise provided by law or treaties, all foreign nationals entering the territory of the Chinese Republic shall submit their passports for examination in accordance with the provisions of these Regulations.

Art. 2. A passport must contain the following particulars:—

(1) Name of holder, (2) Sex, (3) Age, (4) Place of birth, (5) Domicile, (6) Occupation, (7) Purposes of coming to China, (8) Latest photo; and be signed by the proper Chinese Diplomatic or Consular authority abroad. Wife, minor children, and servants of the holder shall be admitted upon presentation of the passport of the holder, provided that names and other particulars of the aforesaid persons are indicated on the passport and their photoes affixed thereto.

Art. 3. The duty of examining passports shall be carried out by the local Administrative Government organ concerned. Where necessary, it may invoke the assistance of the Customs or Transit Duty Station Authorities. The Central Government Ministry concerned may, if it deems necessary, appoint special delegates to supervise the examination.

Art. 4. The local Government Administrative organ concerned may prevent the entrance of an alien:

(1) If he fails or refuses to present his passport.

(2) If the passport he presents is found to be forged or defective, (that is, does not conform to the legal requirements).

(3) If there is reason to fear that his activities are likely to endanger the interests of the Party and the Government or public peace and order.

(4) If he is found to be a pauper.

(5) If he is found to be bringing with him contraband or articles contrary to public morals.

(6) If he has been previously deported from the country.

Art. 5.—Where in the course of examination, doubts arise as regards the points mentioned in the preceding Articles, the officials responsible for the examination shall immediately apply for instructions from a higher authority, and may also temporarily detain the foreigner in question pending the receipt of such instructions.

Art. 6.—Sections (3), (4), (5) and (6) of Articles 4 and Article 5 shall also be applicable to those aliens who according to law or treaty provisions, are exempt from the necessity of presenting passports.

Art. 7.—Detailed regulations for the enforcement of these regulations shall be drawn up separately.

Art. 8.—The Regulations shall become effective four months after the date of promulgation.

According to the detailed regulations for the enforcement of the new Regulations, examinatiou of passports of foreigners entering the country shall be held at the following places:—

(A) *For those who come by land:* Manchuli, Suifenho, Hunchun, Yenki, Harbin, Chinchow, Suiyuan (Manchuria), Changchiakow (Kalgan), Eli, Kashgan (Sinkiang), Tunghing, Tsinshan (Kwangtung), Lungchow (Kwangsi), Tengyueh, Szemao, Mengtszhsien, and Hokow (Yunnan).

(B) *For those who come by sea route:* Canton, Pakhoi, Samshui, Kongmoon, Chungshan Harbor, Swatow, Amoy, Foochow, Shanghai, Woosung, Tsingtao, Chefoo, Weihaiwei, Lungkow, Tientsin, Tangku, Chingwantao, Hulutao, Yinko, Antung, Aigun, Taheiho, Tungkiang.

(C) *For those who come by air:* Before the establishment of aviation stations along the border, examination of passports of aliens entering the country by airplane shall be made at the first place where the landing of the plane is authorized.

China Looms Up Large at Williamstown Conference

Chinese affairs were discussed at considerable length at the Institute of Politics in session at Williamstown, Mass., this and last week.

Thomas F. Millard, American adviser to the National Government made several addresses. In one of these he declared that the United States must revise its treaties with China or jeopardize the safety of citizens in that country. The presence of foreign warships in China actually imperils foreigners instead of diminishing their danger, he told the Institute. When foreign irritations have been removed, foreigners will be appreciably safer in China, in the opinion of Mr. Millard.

In another address Mr. Millard said the Foreign Powers which are diplomatically represented in China should at once move their legations from the former capital at Peiping to the National Government capital. Mr. Millard declared that the retention of legations at the former northern capital was both inconvenient, for the foreign diplomats and Chinese officials alike, and contrary to established practise, which dictates that all such diplomatic establishments should be in the capital of the recognized Government. In making the shift, according to Mr. Millard, the foreign Prowers would manifest their friendship to the National Government and at the same time greatly facilitate the conduct of diplomatic affairs.

George Sokolsky, connected with the *Far Eastern Review* and the *North China Daily News* in Shanghai, declared that China's wars must continue until the feudal groups are destroyed. This holds true whether one considers the well equipped northern armies or the bandits to the southward, he explained. The process may require many years, Mr. Sokolsky said. It will, however, be possible to modernize and to stabilize the affected areas, in his opinion. Mr. Sokolsky predicted that Tientsin would be captured by the National Government before winter of this year.

A Possibility of Foreign Intervention

Charles Bachelder, former Chief of the Far Eastern Division of the U.S. Department of Commerce and also once U. S. Commercial Attache in China, said that foreign intervention may soon become necessary in China. There is a growing feeling, he asserted, that something of this sort must be done for humanitarian reasons. Mr. Bachelder suggested that 200,000 foreign troops, assisted by good native Chinese troops, would be able to restore order throughout the country. He estimated the cost of this at G$500,000,000, which might, in his opinion, be secured as a loan based on the customs and the salt revenues of China. Most of the money could be spent in disbanding the various Chinese armies and putting in needed work on highways and railways, according to the speaker. He admitted, however, that the United States is traditionally opposed to intervention. Stephen Duggan said that much of the China trouble is to be attributed to the influence of American schools in China, and also to the fact that students are impregnated with principles of democracy and nationalism.

Replying to Mr. Bachelder, Mr. P. C. Chang, of Nankai University, told the Institute that foreign intervention must necessarily unite China because the war-lords would unite against the foreigners. Then, he said, "something would certainly happen." Mr. Chang said that the method of modernizing China is the principal problem confronting the leaders in the country to-day.

Jerome Greene said a Dawes Plan might afford a remedy for China difficulties. What he considered to be China's real need, however, was a Mussolini, a Hoover or a Stalin to direct the destinies of the country. On a basis of history, however, Mr. Greene was of the view that China is not likely to produce such a leader.

Dr. Stanley K. Hornbeck, chief of the division of Far Eastern Affairs of the State Department, in an address said that the American government looks with favor upon the development of the nationalist movement in China and is sympathetic toward the aspirations of the Chinese people for independence and a healthy, strong national political existence. At the same time, Dr. Hornbeck continued, the United States Government wishes to refrain from any interference in China's international political conflicts and has refrained from taking sides between or among the contending Chinese political and diplomatic groups and factions. Dr. Hornbeck said that America is ready to use diplomatic pressure and even armed forces when such course is necessary to protect citizens of the United States, but does not desire to interfere with Chinese affairs and seeks to avoid any activity which might be construed as aggression.

News Notes From Harbin

If the daily heavy showers that have been falling this week will not harm the crops, a very good harvest of beans, wheat and all other kinds of cereals cultivated is expected at all the places in the province. The secretary of the Harbin Bourse Committee in an interview with a local newspaper correspondent stated that the prospects of this year's export season may be better than the last year's. Prices for beans, the staple export of North Manchuria, have gone up on European markets, and the competition from Canada expected to be almost *nil* this year on account of the drought experienced in that country. For the same reason Canada will not be able to compete in the wheat business, and Japan will have to purchase wheat on the Manchurian markets.

Navigation on the Sungari River

According to data of the local commercial organizations 25,000,000 poods of beans, 3,000,000 poods of coal, and 400,000 poods of lumber was shipped from the places of their origin to Harbin since the day of opening this navigation season up to the 1st of August. And 7,000,000 of the whole bulk of beans was bought by several exporting firms largely by the firm of Wassard.

During the first half of August 10 Chinese steamers, some of them bound for Sakhalian and the other to Iman, passed through Lahasusu. All the steamers carried cargo of grains and manufactured goods.

Near Lahasusu and Fugdin work is going on for lifting ships that were sunk during the Sino-Russian conflict last year. The work is being done by Japanese divers engaged by the North-Eastern Shipping Company. Three ships and five barges are reported to have been lifted and are being brought to Harbin docks for repair.

Business Traffic on the C. E. R.

During the month of July last at the stations of the C. E. R. there were loaded with different kinds of cargo 25,196 cars; 8102 whereof were loaded with export cargo, 3704 of the latter number of cars were transported in the south direction to be delivered to the S. M. R. for further transportation, and 4387 in the East direction to be given over to the Ussuri Railway, while the balance, 11 cars only in the west direction to be sent out through the station of Manchuli.

Chalainor Colliery to be Restored

The Board of Directors of the C. E. R. resolved to restore the Chalainor coal mines, the work at which has been suspended since the time of the Sino-Russian conflict when the mechanical equipment of the mines suffered a great deal of damage from the bombardment during the battles there fought. About 400,000 gold roubles has been assigned by the administration of the C. E. R. for the restoration work which is to begin shortly.

Tourist-Students to Harbin

An account given by a local Russian newspaper states that 250 students of different Japanese universities have visited Harbin during this summer for the purpose of making scientific research in the line of economics, archeology, ethnology, etc.

P. U. M. C. Issues Statement on Autopsy Case

The P. U. M. C. hospital at Peiping has issued a statement concerning the autopsy performed on a Chinese named Sung, as a result of which two doctors of the staff are being prosecuted on the complaint of relatives of the deceased. As regards the case itself the hospital authorities make no comment but they reiterate that both for the operation, and the subsequent autopsy, the full consent of the deceased's brother had been obtained, he having signed the Chinese statement with his thumb print.

Street Car in Peiping Bumps into Funeral Procession

A *United Press* message from Peiping states that a Chinese court in that city has been asked to decide whether a street-car has the right of way over a funeral procession, or whether the car must wait no matter how long the procession may be. A street car crashed into a coffin and upset it. The chief mourner, the dead man's son, prostrated himself on the track in front of the car, and stayed there. Policeman came and took away the motorman. Street-car service was suspended for some hours.

Bomb Is Thrown at Calcutta Police Commissioner

Among the recent incidents in connection with the civil disobedience campaign in India was an attempt to assassinate Sir Charles Tegart. Cmmoissioner of Police at Calcutta. He had a narrow escape. The bombs were thrown at his car as he was driving to his office August 25. One of the bombs instead of hitting it, struck a coolie and also damaged two motor cars standing in front of a shop. Pieces of another bomb pierced the Police Commissioner's car and slightly injured his chauffeur. The man who threw the bomb was himself killed by it. The other bombs and two loaded revolvers were found on him. Another Indian, a law student, who was found bleeding near the scene, had a bomb and a revolver in his possession. He was arrested. Police searches of the city are being made and numerous suspected accomplices have been arrested. Several thousand revolvers of Japanese make are stated to have been distributed among extremist Indian students.

At Calcutta, Aug. 26, a bomb exploded in the suburban police station of Jorabagan, injuring six persons. Examination of the fragments of the bomb showed that it is the same type as those thrown at the motor-car of the Calcutta Commissioner of Police, Sir Charles Tegart. Five passers-by were injured by the explosion but only one sufficiently seriously to need treatment at the hospital. Another bomb outrage occurred in Calcutta August 27, a bomb being thrown at the Eden Gardens police-station. Three public-works coolies and a policeman were injured so seriously that they had to be taken to hospital.

At Simla fifteen leaders of the Indian Congress were sentenced August 27 to four months' rigorous imprisonment for forming an assembly to celebrate Indian National Flag Day. The police charged the crowds accompanying the procession several times with the result that several persons were injured.

Practically the whole of the Working Committee of the Indian Congress were arrested at Delhi, including Vithalbhai Jhaverbhai Patel, the late president of the Indian Legislative Assembly, who had arrived with other Congress leaders to hold a meeting of the committee, despite the fact that it had been proclaimed an unlawful assembly.

Moslems Say Gandhi Program Is Wrong

An *Associated Press* telegram from Bombay says that wails raised by Moslem leaders in various parts of India indicate that the 80,000,000 members of that faith have little confidence in the good intentions of their Hindu neighbors. In a few districts descendants of the Mohammedans who ruled the land with an iron hand until the British came, 200 years ago, have supported the Gandhi movement. But as a whole they have heeded their leaders and held aloof from the attempt to gain immediate independence for their country.

As viewed by the Moslems, the Gandhi campaign is aimed at destruction of both the present and former foreign rulers of India. They can not forget the centuries in which Hindus and Moslems have been bitter enemies. There are about 220,000,000 Hindus in India and of these fully 5,000,000 are organized into the Gandhi nationalist party, making it admittedly the strongest single political force. But the British claim that this Swaraj section represents only a minority of the Hindus themselves, since the numerous caste of the "untouchables" has been excluded from it.

Then there are Sikhs, Indian Christians, Anglo-Indians, Europeans and other minorities and the British claim that none of them sympathizes with Gandhi and his followers in the civil disobedience campaign.

On the other hand the nationalists assert that the Moslems are unduly alarmed. The Gandhites made repeated promises that they would not come to any agreement with the British which would not protect the rights of all minorities. It is asserted that safeguards have already been considered for taking care of the property, religious, cultural and other rights of all sections of the teeming land.

Proposes Loan to China

China's trade with the United States would be greatly stimulated by the American Government making a loan, Senator Key Pittman of Nevada declared in an address before the Foreign Trade Club in August 25 at San Francisco, in which city a conference on China trade was held during this week.

Famine Threatened in Russia Next Winter

A recent telegram from Harbin states that the Chinese directors of the Chinese Eastern Railway have sent a large shipment of provisions and other supplies from Harbin to Moscow for the use of the Chinese delegation to the Sino-Russian conference, it being reported that the food crisis in Moscow has become much more serious with prospects of a complete famine during the coming winter. According to reports brought by Chinese messengers who have been traveling back and forth between Moscow and Harbin and Mukden, the economic crisis prevailing in the Soviet capital not only includes foodstuffs, but also manufactured articles, and that the pinch is also being felt by the foreign population as well as the diplomatic representatives.

That the desperate conditions from the standpoint of food shortage existing in Moscow also prevail in other parts of Russia, particularly in Siberia, is borne out in reports reaching Harbin from the border sections. On August 22 the Harbin Refugee Committee reported that Chinese authorities in North Manchuria had decided to refuse to permit any more peasant refugees from the Vladivostok district to enter North Manchuria, the reason being the fear of the Chinese of a further spread of communism and in addition the practical inability of the authorities to cope with refugee problem.

The number of Russian peasants who have fled from Siberia into North Manchuria since the beginning of the year is not known, but in some quarters it is estimated as high as 50,000. Refugees arriving in Harbin recent weeks tell a gruesome tale of abject hunger, forced labor and official persecution of peasant laborers in the Suchan mining district in the southern part of the Maritime province.

Protracted Sino-Soviet Negotiations

Aside from reports that the "conference is continuing," there is little definite information available in Harbin regarding what the Sino-Russian conference is actually accomplishing. The Japanese Ambassador, Mr. Tanaka, who passed through Harbin on his way back to Tokyo, stated that while conversations were continuing between Mo Teh-hui, head of the Chinese Delegation and Karakhan of the Soviet Foreign Office, it was felt that little actual progress had been made owing to the insistence of the Russians that the so-called Habarovsk protocol must be carried out. While one of the Chinese newspapers reported that the Nanking Government had authorized a slight "broadening" of the scope of the negotiations, China was still adamant on the matter of refusing to discuss outside diplomatic and economic questions prior to a definite settlement of the issues arising out of the C. E. R. conflict. The report in the Harbin Chinese newspaper stated that a meeting between Mo Teh-hui and Karakhan on August 19 had not produced any tangible results and the likelihood was that the conversations would continue on into the winter possibly before the formal opening of the conference could be held

U. S. Consul-General Cunningham Is Admitted to Bar

E. S. Cunningham, American Consul-General in Shanghai, was formally admitted as a member of the American Bar in the U. S. Court for China August 25. Mr. Cunningham took the oath in open court where a glowing tribute was paid to his sterling character. A certificate was later issued to Mr. Cunningham by Judge Milton D. Purdy. An affidavit for Mr. Cunningham's admission to practice was filed by Major C. P. Holcomb, President of the local American Bar Association. The motion was seconded by C. S. Franklin, of the law firm of Messrs Fleming, Franklin and Allman.

Russian "Piracy Guards" on British Ships

The first of the Russian anti-pirate guards recruited a few months ago in Shanghai have paid their first visit here since they took up their new posts. The party arrived in Shanghai from Hongkong last week on the Canadian Pacific liner *Empress of Asia* from which they were transfered to the *Empress of Canada* which sailed for Hongkong early this week. The party number 14 Russians. They wore the uniforms of the Hongkong Police, with a Cawnpore helmet with a white metal crown as cap badge, khaki tunic and shorts, black boots and blue puttees, and a pistol belt as used by the Shanghai police. The shoulder badge reads "H. K. P." while each man wears a red brassard bearing the letters "P. G." (pirate guard).

American and German Engineers Rebuilding Russia

(The following article dealing with the work which is being performed in the reconstruction of Russia by American and German engineers, was written by the "Associated Press" correspondent in Russia and appeared in newspapers in the United States last month.)

The Union of Socialist Soviet Republics continues to import American, German and other foreign brains on a vast scale to convert the former backward agricultural country nation into a "collectivized" industrial state.

The latest official figures, and they went only to May 15, showed 1,377 specialists of high technical skill engaged in building up Russian industries. Of these 687 were from Germany and 452 from America, the others coming from France, England, Switzerland and a few other countries.

But the American movement is beginning to outstrip others and by the autumn there will be upwards of 1,000 American engineers striving to do for Russia what they have done already for their own country.

If the communist rulers of the soviet union succeed in their fiveyear industrialization plan, involving an expenditure of $34,000,000,000 or nearly the total of United States expense in the world war, many economic and financial authorities believe the bolshviks will challenge the world in the production of cheap commodities for export. They would then constitute a menace to the industries of America and Europe alike.

Thus while the United States government looks askance upon the communistic regime and refuses to recognize it officially, American engineers are helping to build up a modern, highly mechanized Russia which intends to compete openly with the United States.

Along with American brains, the soviet government is importing millions of dollars worth of American machinery. This is going into new paper mills, hydro-electric power plants, railroads, textile mills, collective farms, packing, canning, automobile and tractor plants, coal mines and chemical enterprises. All of this must inevitably contribute enormously to Russia's growth as an industrial state of international magnitude.

Thus far, not an American dollar has gone into Soviet enterprise, American business men agreeing only to advance creditste the Soviets for goods purchased. So far as known, the Communist Government has never defaulted on a single obligation in this respect, which makes Americans all the more ready to do business with the Bolshevists.

Moreover, not a single dollar has been advanced to the Soviet regime as a loan by any foreign government, which makes the industrial and agricultural achievements all the more remarkable in the eyes of experts.

There are in Russia at present about 600 American engineers, whose specialties embrace virtually every line of industrial and mechanical endeavor. Their combined salaries and fees are estimated at more than $5,000,000 a year.

The higest paid is Colonel Hugh L. Cooper, of New York. He is supervising the building of a $120,000,000 hydro-electric power plant on the Dnieper River and his fee is said to be $500,000 a year, the amount being based on a percentage of the cost of the enterprise.

In Russian Turkestan Arthur Powell Davis, of Oakland, Calif., formerly head of the United States Reclamation Service, is making irrigation surveys and drawing plans which, if adopted, may eventually make the Soviet Union a competitor of the United States in cotton production. Similar high-grade American specialists have been hired by the communist regime in almost eevery other branch of industry.

Thus America is faced with the anomaly of having its ablest engineers and technicians build up an alien country industrially which soonor or later, if the gigantic plans are fulfilled, may actively compete with and even undersell its own factories and enterprises.

It is acknowledged that the success of the Soviet's colossal industrial program, one-fourth of which has already been carried out, will depend largely upon the yield of successive crops, the ability of the Government to get internal loans, the continued export in liberal quantities of Russian products, the success of the Government in obtaining farm credits, and the capacity of the Russian people to undergo sacrifices in food, comfort and general welfare.

But that the Government will succeed eventually, is now the opinion of many American observers who have studied the situation at first hand. If it does triumph, American engineering skill will have contributed in no small part to the enterprise.

New Regulations Covering Foreign Plantiffs in Appeal Cases

New measures regarding jurisdiction over mixed criminal or civil cases, in which foreign nationals enjoying extra-territorial privileges are plaintiffs, have been formulated by the Judicial Yuan at Nanking. All appeals of mixed cases which were *sub judice* at the time when the Commissionerships of Foreign Affairs were abolished in December, 1929 are to be tried and adjudicated by the Provincial High Court or the nearest Branch High Court. In all such cases over which the District Court had original jurisdiction, either of the parties, if dissatisfied with the decision of the Provincial High Court (of Appeal) may lodge another appeal with the Supreme Court at Nanking. Jurisdiction over all appeals of mixed cases brought up since the abolition of the Commissionerships of Foreign Affairs shall be determined according to the ordinary Criminal or Civil Procedure Law.

Where appeals of cases over which the summary division of the District Court has original jurisdiction have already been commenced at the Provincial High Court (of Appeal) or the nearest Branch High Court—prior to the receipt of the present order—the Court concerned shall continue to hear the cases. (Jurisdiction over such appeals, it may be noted, properly belongs to the District Court according to the Chinese Judiciary Law).

It may be recalled that according to a former order, all appeals of mixed cases are to be heard by Provincial High Courts or Branch High Courts. In view of the fact that according to the existing laws, appelate jurisdiction does not belong exclusively to Provincial High Courts—as District Court shave appelate jurisdiction over cases of minor importance,—the Judicial Yuan has instituted the new measures in order to make the adjudication of mixed cases conform to the national judicial system.

With effect from September 1, all cases of original jurisdiction in districts where there are modern Courts shall be tried by such Courts. However, in districts where no modern Court has been established, the District Magistrate shall have jurisdiction over such mixed cases; the parties may, however, by mutual agreement, bring their cases to (the modern) District Courts. Appeals shall be determined according to the ordinary Criminal or Civil Procedure Law.

Another Session Held in Nanking of Cable Conference

A Nanking telegram dated Aug. 26 published in the *Sin Wan Pao* states that another session of the Cable Conference was held on that date between the Commission, headed by Chwang Chi-hui, and the representatives of the Great Eastern, Great Northern and Pacific Commercial Telegraph companies. Mr. Chwang dwelt chiefly upon salient points upon which the revised contract between the Government and the Foreign cable interests should be based. The company representatives were stated to be in accord with the principles raised by the Telegraph Commission. They differed, however, with the Chinese representatives on the point of commercial profits. The company representatives have expressed their willingness to reliquish their monopoly and extraterritorial landing privileges. Their rights of receiving messages would be also subject to the Government's control.

Currency Confusion Affects Famine Relief Work

A picturesque sidelight into the difficulties of converting money in areas of destitution is provided by G. Findlay Andrew, who is supervising the work for the China International Famine Relief Commission in Kansu Province. In a report from Lanchow, he stated that the money market there was getting increasingly difficult, with an increasing discount on notes for silver. In the Hochow district they are not able to use anything but silver. In order to get actual silver he had been forced to purchase silver (sycee) in outlying areas, in some instances this being unearthed from the ground while their pack animals were actually standing by to transport it, and then being carried to the local mint where it was turned into good "third year Yuan Shih-kai dollars."

Britain's Attempt to Regain Her Trade Position in China

(From the Manchester Guardian)

IT seems unlikely that anybody in Lancashire will quarrel with the composition of the trade mission and the cotton sub-mission which are being sent to the Far East. It is most fitting that Sir Ernest Thompson should be the chairman of both bodies, for the cotton industry is the industry chiefly interested in the China market, and, while Sir Ernest's own business is concerned with the South American trade, he has taken an active part in the pioneer work for trade improvement carried on by the Joint Committee of Cotton Trade Organisations, and he will bring to the leadership of the mission's investigations an impartial view of China trade and a full knowledge of what Lancashire is capable of doing to increase her participation in it. The other members of the cotton sub-mission appear to have been carefully selected. and, though it may be thought that for a study of the China market two representatives of the finishing trades would not have been excessive, there is every reason to hope that no point of practical value to Lancashire's trade with China will escape due attention.

Exact information, compiled on the spot, of the weave, design, and finish of the cloths which China wants, together with some idea of the prices that will be paid for them, should prove helpful, but, in studying the requirements of such a large market, or series of markets, it is necessary also to be well-informed as to where the different styles are wanted, and as to how they can be marketed there. Experience of the distribution of petroleum, cigarettes, and a few other commodities has shown that China's full potentialities as a customer are left almost untapped if the producer loses touch with and interest in the goods as soon as they reach Shanghai or some other port. The demand which filters down from the interior to the coast represents only a small fraction of the market's power to absorb imported goods, and the mission will no doubt devote much consideration to the problem of stimulating the up-country demand.

Lancashire's chances of trade with China are bound up with the spread of transportation facilities and productive industry in the country, and, accordingly Lancashire's benefit from the mission's work is to some extent dependent on the orders which are available for the engineering and constructional industries. The mission, therefore, can be doubly helpful to the cotton trade, and there will be widespread hopes for its success.

Sir E. Thompson's Survey of the Mission's Task

The announcement of the personnel of the missions was made at the premises of the Cotton Trade Statistical Bureau in Manchester, July 30, simultaneously with the announcement in London, Mr. Louis Beale explaining that the reason for this was Lancashire's special interest in the missions and its strong representation upon them.

Sir Frnest Thompson said that some time ago the Joint Committee of Cotton Trade Organizations considered the question of a mission on behalf of the cotton trade, particularly a mission to the Far East. The Committee considered that such a mission would be very helpful to Lancashire. They approached the Department of Overseas Trade and found that the Trade Development Council of the Department had been considering virtually at the same time the sending of a mission to the Far East in the interests of the general trade of the country. The two parties got together, and it was decided that the combining of the proposed Cotton Mission, with the mission proposed by the Department would be a suitable thing. The Department gave the matter full support, and there was support also from Lancashire, the result being the mission that was now going out.

One of the first duties of the mission—and it would be one of their pleasures—would be to visit Japan. That would be a courtesy visit more than anything else, because a mission from Japan visited England in 1922, and a visit from commercial men from England was due in return. After that they would pay their respects to the Chinese Government at Nanking, and they would then take up the real work of the mission—the study of the position of British trade in China. They would have to study very carefully our comnetitors' position and the reasons that had given some of our competitors their advantage in Chinese international trade.

Three Months in China

They were hoping to look into questions relating to manufacturing, transport. and marketing. That was a pretty comprehensive enterprise, and he presumed that it would require a stay of about three months in China. The mission would be able to look into and review the whole position of British trade with China.

The Cotton Sub-mission, Sir Ernest proceeded, would be able to study on the spot questions affecting the Lancashire cotton trade and would have the advantage of being in a market in which lived a quarter of the population of the world. That market consumed between 700,000,000 and 800,000,000 square yards of imported cotton goods a year and was the second largest market in the world for Lancashire goods. That was a very big matter, but from the personnel it would be seen that the mission would be fully equipped to go into these matters thoroughly and practically. The members of the misson would be able to bring to bear on those questions the very large knowledge and wide experience they had in the cotton trade.

He felt it a very great honor to have been asked to lead such a mission and a very great privilege to be associated with such a splendid body of men. At the same time he felt even more that it was a tremendous responsibility he had accepted and which had been accepted by every member of the mission.

"There is one thing," Sir Ernest remarked, "that has given me great encouragement, and that is that the Government have promised to see that our report will not be shelved, but that in any recommendation we make which can be found useful and practicable and for the benefit of any part of the trade of the country, they will give us their help and support and try to bring to some practical use the work we have undertaken."

Mr. Beale on China Trade Figures

Louis Beale, discussing the factors that led the Overseas Trade Development Council to recommend that the Government should send a powerful mission to the Far East—a decision "any business Government was bound to come to,"—said:

"In the China market, as indeed in all other markets of the world, it is necessary to live in a world of actualities; it is essential to know what is going on; it is necessary almost to be ahead of the times and to be creative. All that boiled down means that in a changing world the supplier must know what is wanted. That necessitates a most careful study of marketing, of competitors' methods, of credit conditions, of market requirements, and in a word, to know what is necessary in order to ensure that the purchaser will purchase from this country.

"I would go a step farther still, and say that the country which can anticipate the potential requirements of a market, and indeed create goods for that anticipation, is the one which will come out first and continue to be first. That is a part of the work which will be undertaken by the Government mission under the leadership of Sir Ernest Thompson.

"In the few years since 1923 China's imports have doubled in value, and last year amounted to almost £200,000,000. In 1913 we enjoyed 17 per cent of the entire import trade of China; our share last year had dropped to 9½ per cent. Coincident with our decline the share enjoyed by the United States of America had in the same period—1913 to 1929—risen from 6 per cent to 17 per cent, whilst Japan had increased from 20 per cent to 26 per cent. Germany, too, has already regained her pre-war share. It seems to me that if countries which are our industrial rivals, such as Germany and the U.S.A., can secure the trade of that vast and growing market of China, we with our tradition, our skill, our experience and enterprise should be able to do very much better than we are now doing.

The Way to Get Information

"It is for this reason that his Majesty's Government welcome so warmly the fact that immediately discussion took place with Lancashire—and I may say in mentioning Lancashire I mean the Executive of the Joint Committee of Cotton Trade Organisations, over which Sir Ernest

Thompson presides and which so happily represents all sections of the cotton industry—they, too, saw the need and the advisability of studying on the spot the conditions of the market. I am convinced that we can manufacture and supply the goods which are needed. We must learn how to sell them, what methods to adopt, and if the mission does the work which it is be hoped it will do, we shall come back in the possession of information which it would be impossible to get without sending a mission of this sort to the Far East.

"Of course, the mission is concerned only with cotton. There are in China probably the greatest potentialities in industrial and agricultural development and increased transportation and communications that the world of to-day affords. Any increase in China's progres under these headings would mean an immediate stimulus to our trade.

"Imagine for a monent what a quarter of the world's population (which is about China's figure) would mean if their standard of life were raised even 5 or 10 per cent, new highways built, and with additional railroads branching out into their fertile hinterland. Not only would Lancashire be kept at full speel and in full activity, but our other great staple industries would immediately feel the reaction to a market of untold possibilities. We can attain a share—and I hope a good one—of this great market by a knowledge of the true facts, and that is the reason of the mission.

"In conclusion may I say, as the official representative on this mission, how glad I am to be serving under Sir Ernest Thompson. We at the Department of Overseas Trade have known him for many years. We have admired his ability, his discretion, and his willingness to help in the most important task which lies before the Government to-day —that of increasing the export trade of this country."

The Government's Pledge.—Mr. Gillett's Statement

In the course of his statement July in London, Mr. Gillett, Parliamentary Secretary of the Overseas Trade Department, said:—

The main districts to be visited will be Shanghai, Hankow, if possible Northern China, Manchuria, and, in Southern China, the district around Canton.

The mission will study the present position of British trade, the methods of trading and manufacture now in use, transport, and marketing; the tastes and preferences of customers, and all questions affecting the sale of British goods in the Far East.

They will consider what recommendations can be made for the improvement of British trade and the stimulation of British exports to the Far East.

From the nature of its constitution, the Cotton Sub-Mission will be able to carry out a most detailed technical study of the cotton trade in the Far East, and its report and recommendations should be of the greatest value.

It is well known that the position of British trade with the Far East is not satisfactory, and that while our trade has been more or less stationary in recent years, that of our rivals has heen advancing rapidly.

Value of the Chinese Market

There may be an impression that the Chinese market is one which is not worth cultivating in view of unfortunate disturbance which have taken place during the past few years in China, but this impression is most unjustified. In spite of internal disturbances, the import trade of China is making great advances every year, and last year her total foreign trade registered a record value. In 1928, for instance, the net imports amounted to £170,000, an advance of £24,000,000 over the previous year.

In this advance Great Britain is not taking her proper place, and it will be the principal duty of the Economic Mission to the Far East and its Sub-Mission to ascertain the reasons, and to suggest remedies.

"I should like to say (added the Minister) that on the return of the Mission there will be no question of their report being pigeon-holed. It is the policy of the Overseas Trade Development Council to make abundantly sure that reports of economic missions are discussed in detail with the trades concerned, and that plans are devised to give practical effect to any recommendations that may be made by these missions.

"One of the great benefits arising from this policy is that British industries learn at first hand what they must do, not only to retain but to develop their trade with foreign countries."

The Fight for Far Eastern Markets

(Manchester Guardian Commercial)

On the American continent the United States sales of chemicals and chemical products far exceed German sales, and in most cases they are double and even treble.

Canada is the largest market for United States chemicals, and in comparison German sales are small. The United States sales of chemicals to Mexico are twice the German sales. With the exception of dyes, the United States ships more of everything than Germany. In no instance are German exports greater to any of the other markets of North or Central America; in fact, in almost all cases they are very small.

United States exports to South America are about double German exports. With the exception of Brazil, where Germany has shown an increasing trade each year, United States exports considerably exceed German exports. In the other countries of South America United States shipments of all commodities excepting dyes are usually considerably in excess of German shipments.

In the Far East competition is exceptionally keen, with both countries striving for the markets, yet neither actually predominating. In this region their total exports more evenly balance, although Germany, because of its greater sales of fertilizers, shows a total trade a little above that of the United States. Japan and China, large consumers of fertilizers, are the chief markets of the United States. In the Far East the United States has succeeded in selling dyes in growing amounts each year and has obtained approximately one-third of the dye market. German exports of dyes to this region amounted to £3,700,000 in value, compared with £1,000,000 from the United States. In medicinal preparations Germany also has the lead, but by a smaller margin. The United States leads in Australia, British India, New Zealand, and the Philippine Islands, but furnishes only about one-third as much in China and Japan.

Paints

In the pigment and paint group, the United States ships three times as much as Germany, China is the only country where German exports lead. The bulk of the German exports of this group consisted of prepared paints put up for retail sale and of non-alcoholic lac varnishes, distributed in small amounts in many countries of this region. With the exception of a little more than £200,000 worth of carbon black, and comparatively small amounts of zinc oxide and other pigments, the United States exports of commodities included in this group are the ready-mixed paints, lacquers, and varnishes. The United States ships ready-mixed paints to virtually all countries in this area. Other especially promising markets than those just described are British India, British Malaya, Netherland East Indies, Philippine Islands, and New Zealand.

Toilet Preparations

The United States shipments of toilet preparations to the Far East are about twice those of Germany. The Netherland East Indies is the only country that buys more of the German goods. British India, Australia, the Philippine Islands, China, Netherland East Indies, British Malaya, Japan, New Zealand, and Hong Kong are other major markets.

The United States also furnishes more industrial chemicals, to a total of nearly £2,000,000, compared with £1,400,000 by Germany. Sulphur accounts for two-thirds of the total shipments of industrial chemicals sent to Australia, which, however, purchases a great variety of chemicals from the United States. German shipments of industrial chemicals to Australia approximated £80,000 in value. Japan bought over £400,000 worth of sodium compounds, chiefly caustic soda and lye, and smaller amounts of other industrials, particularly the specialties, making the total £600,000 from the United States, while from Germany the £500,000 worth consisted chiefly of ammonium nitrate, potassium nitrate, and methanol.

In Africa Germany leads by a small margin. German exports approached $1,000,000, compared with £900,000 from the United States. Of Germany's exports to Egypt, amounting to £560,000, £360,000 consisted of fertilizers. The remainder included medicinals, dyes and industrials.

It is evident that the expansion program of the American chemical export trade should be directed to the consuming requirements of the Far East and Latin America. Growth in the Far East may be said to be contingent upon raising the standards of living, while growth in Latin America seems to be dependent upon the exploitation and industrialization of the area. What is true of Latin America seems to apply as well to Egypt and South Africa and other colonized areas on that continent.

Opium Monopoly in Powers' Far Eastern Colonies

BY GARFIELD HUANG 黃嘉惠

WHILE fighting against cultivation of the poppy and the smuggling of foreign narcotics at home, the Chinese public has not failed to devote full attention to the opium monpoly in the Powers' Far Eastern colonies, which seriously affects Chinese immigrants, morally, physically and economically. The purpose of this article is to discuss exclusively and frankly the question of the monopoly system as was observed by the writer during his recent trip to British Malaya and the Dutch East Indies. The evil is a matter demanding the attention of all decent opinion in the world. It is so strategically entrenched that the pressure of a strong international opinion is needed before its existence will likely come to an end.

What is the monopoly system as we find it in the Powers' colonies in the Far East? It implies three essential features. First, a vicious discrimination between races: opium smoking is legalized among Chinese immigrants, and in some places, the indigenes also, but on no occasion is the European or member of the ruling race legally allowed to smoke. Secondly, the colonial government possesses the exclusive right to sell opium for profit. And thirdly, the drug business yields a large portion of the total government revenue, in some instances as much as over 40 per cent.

The system has been in practice in all territories held by the Powers in the Far East, with the lone salutary exception of the Philippine Islands. In the British Settlements, Hongkong and Malay States, in the Dutch East Indies, in French Indo-China, in Portuguese Macao, in Japanese Formosa and in the Kwantung Territory China leased to Japan—in all these places the government legalizes and sells opium to the Chinese for profit while at the same time it protects its own nationals by means of strict prohibitory legislation. Let the ruling race be protected and the ruled yield the revenue and be poisoned: this apparently is an epitome of the opium monopoly system.

For years the drug business has been the source of enormous profits for the colonial governments concerned and of intense misery for hundreds of thousands of Chinese immigrants, especially those of the labor class. Despite all the conferences held at the Hague or Geneva to deal with the opium problem, nothing has been allowed to interfere with this system of doping aliens for the sake of revenue. Diplomacy does not seem to have come to the right side when government receipts involving millions every year are threatened. None the less, the system is a complete negation of justice and morality, and is all the more distasteful when maintained by powers which have solemnly pledged to prohibit opium.

Hague Convention a Dead Letter

The Hague Convention concluded in 1912 has remained a dead letter so far as it concerns the suppression of opium consumption in the Far East. One of the articles provides: "The contracting Powers shall take measures for the gradual and effective suppression of the manufacture of, internal trade in and use of prepared opium, with due regard to the varying circumstances of each country concerned, unless regulations on the subject are already in existence." But since 1912 what have the Powers concerned done to fulfill this obligation except collect revenue on opium sales?

In Batavia there is an up-to-date factory which cooks and prepares opium for consumption in the Dutch East Indies. The factory gives visitors the impression of a highly organized arsenal and is the object of admiration to revenue officers in the adjacent British colonies. When I was in the South Seas Islands during February—March I heard of the plan of the British authorities to emulate the Dutch and create a similar factory in Singapore! Unless all enlightened public opinion in the world rouses itself, the prospect of suppression in the Powers' Far Eastern possessions will infinitely retrocede. Meanwhile thousands of ignorant Chinese immigrants laborers will be converted into human wrecks every year to swell the colonial coffers.

Aside from being a rich source of revenue, the so-called monopoly system has nothing to commend itself and everything that argues against its existence. Because it removes both the legal and moral restraint, the system tends to create addicts and increase consumption. In all places where the system is maintained we find the number of addicts bears a high percentage to the size of the community to whom opium smoking is exclusively allowed.

In British Malaysia (including both the Straits Settlements and Malay States) it is conservatively estimated that 20 per cent of the Chinese population are addicted to opium. According to this estimate, the number of Chinese smokers will be approximate 400,000 out of a total Chinese population of about 2,000,000. The worst victims are among the Chinese coolies. It is not infrequent to find 40-50 per cent of coolies in some factories who are opium smokers.

Many Addicts in Dutch East Indies

In the Dutch East Indies the latest official estimate places the number of Chinese smokers at 89,816 or approximately 10 per cent of the total Chinese population. But according to my own observation, and especially in view of the large quantity of opium secretly distributed, it is quite safe to raise the percentage to fifteen per cent. The situation is especially serious among Chinese contract laborers. For instance, in eastern Sumatra there are about 110,000 Chinese among whom no less than 45,000 are opium smokers, according to the estimate of the Chinese Anti-Opium Society of Medan.

It is an established fact that the majority of Chinese smokers do not carry the habit with them from China but acquire it locally, that is, after they come under Western rule. This according to no less an authority than the Malaya Opium Commission of 1907-1908, whose opinion was later confirmed by the British Malaya Opium Committee of 1924. The conclusion no doubt may be applied to the Dutch East Indies or any other locality where opium smoking is legalized.

While responsible for the addiction of Chinese immigrants under the British flag, the British authorities have protected European and natives from the evil. Evidence given to the Malaya Opium Commission testified that regulations had been in existence prohibiting the direct sale of opium to the Malay natives and the buying and smoking of opium from the government licensed shops by any person *except a male adult Chinese*. Similarly, in the Dutch East Indies, smoking is banned among Europeans although Chinese and natives are allowed to smoke. In the Kwantung Territory, too, no Japanese is allowed to smoke opium, while at the same time the Japanese administration there placidly derives an estimated annual revenue of Yen 3,000,000 from the sale of opium to Chinese smokers. Why an evil should be allowed among members of one race and prohibited to those of another is completely incapable of a satisfactory explanation.

It is unnecessary to refute here certain baseless canards designed to justify this arbitrary, vicious racial discrimination. The most popular theory is that opium, though harmful to other races is harmless to the Chinese, if taken in moderation, by virtue of their "toleration". This opinion originated from witnesses who testified before the Malaya Opium Committee of 1923-1924. But to understand their motives it must be borne in mind that these witnesses were government servants, employers of labor and between them few medical men. Even the medical witnesses whose names happened to be on the government payroll made startling allegations. One asserted that opium was preventive against, and curative for malaria, while the other claimed that opium lengthened life! Commenting on these patently false opinions, a Chinese medical practitioner recently wrote in the Singapore "Straits Times":—"We wonder why the names of these gentlemen are not in the New Year Honors list if their assertions were based on clinical and laboratory tests. We wonder why the Government is still wasting public funds on Anti-Malaria drainage and oiling when the precious money that finds its way to Java for Quinine could be diverted to India for more opium to rid the Malayan jungle of its fever terror."

On the other hand, the question whether opium is harmful to the Chinese was settled long ago by foreign doctors in China. Thirty years ago an anti-opium league in Soochow, under the chairmanship of Rev. Hampden Dubose, issued a book entitled "Opinions of over 100 Physicians on the Use of Opium in China". The opinions concurred in that opium is physically, socially and morally injurious to its users, whether Chinese or foreign. It would appear superfluous for us to reopen the question

here if it were not for the insiduous propaganda still being circulated to hoodwink the world.

On the same day I arrived in Batavia (February 15th, 1930), a local Dutch daily, *Het Nieuws van den Dag* discussed the problem "Is Opium a Danger?"—and came to the conclusiom that "*for the Chinese* opium as a stimulant cannot be cosidered dangeous to their health" (italics mine). Of course the Dutch daily could not do better than base its views on the testimony of medical witnesses called by the British Malaya Opium Committee in 1924, these witnesses, as noted before, being at the same time under government employ. To any person of average intelligence the opinion that opium smoking is innocuous for the Chinese and the Chinese only is too absurd to call for discussion. However, the fact of such presposterous views being eagerly entertained and circulated to throw dust in the eyes of the public indicate even the colonial revenue officers are not completely at ease in their consciences.

Apart from this, the existence of some pseudo-reforms concerning rationing and registration also suggests a guilty conscience, During the past few years certain "innovations" have been introduced by the British and other foreign colonial authorities allegedly for the purpose of remedying the opium situation among the Chinese immigrants. For instance, at present Chinese smokers in the Straits Settlements and Malay States are required to obtain smoking permits from the government. But, as a matter of fact, the permits are readily issued at any one of the licensed opium retail shops or smoking rooms just for the mere asking. No medical examination is required as would be expected. Now, the purpose of registration is to prevent people from forming the opium habit. As the permits in the British colonies are made available for all people, confirmed addicts as well as mere beginners, this defeats the very purpose of registration.

Farcical Rationing

The supposed rationing of Chinese addicts is even more farcical. The regulations provide that no smoker is allowed to buy at one time more than 250 packages of opium, each of which usually contains 3 Chinese *fen* in weight and costs 40 cents in local currency. Obviously no smoker ever needs such a generous amount and few are rich enough to pay $100 a day for opium. Furthermore, the regulations do not state how many times a day a smoker is allowed to buy opium from the opium shops, so one may buy as many times as he can afford. On the other hand, the British authorities seem to be encouraging people to buy opium in bigger quantities. A tin of opium containing in weight 3 *chien* (30 *fen*) of opium is sold by the government at $3.90 which represents a saving of 10 cents over what the people have to pay if they buy in three-*fen* packages. This policy of encouraging bigger purchases has given rise to an illegitimate business. Some people are buying opium from the government and retailing it to others at a higher price. Thus it has occurred that in factories and mining camps far removed from the government opium shops, some foremen are virtually acting as canvassers for government opium. They buy at $3.90 per 3 *chien* of opium, and retail it among the workers at 45 cents for one-tenth of that amount. During the hours when the government shops are closed, that is, from 8:30 p.m. to 8:30 a.m., retailers are also seen in different parts of the city selling opium to smokers. Such practices have never been interfered with by the authorities, so long as the opium sold by the retailers is government opium.

Finally, we may consider the question of smuggling, which is used as a pretense by the colonial government to put off the task of suppression indefinitely. There are several pertinent question to be emphasized. First, what is the actual extent of smuggling in British Malaya as may be judged by the seizures of illicit opium? For example, let us take the figures of 1927. The seizures during 1927 included 6,200 tahils of raw opium and 182,296 tahils of chandu, the latter being cooked opium. As one tahil is equal to one Chinese tael or approximately one-twelth of an English pound, the total of seized opium is 188,469 tahils or 15,708 lbs. The total amount of Indian and Persian opium bought by the British colonial government and imported into Singapore during 1927 was 524,800 lbs, and on top of this 663,520 lbs. of Indian and Persian opium was transhipped at Singapore to Sandakan, Saigon, Batavia and Bangkok. Hence the total of seizures represented about 1.3% of the total amount of opium bought by the government. I leave it to experts on the problem of smuggling to judge whether that percentage between seizures and so-called government opium would indicate that it is an absolutely impossible task for the British authorities to deal with the smuggling problem; whether it is true that the British authorities could only handle the smuggling problem until China ceases to plant poppy.

Secondly, the opium revenue has given the foreign colonial governments enormous revenues every year. For instance, the following are figures for 1928.

Opium Revenue of British Far Eastern Possessions for 1928:—

Straits Settlements	$12,322,263
Federated Malay States	11,782,128
Kedah	2,052,564
Kelantan	435,848
Trengganu	291,570
Perlis	206,508
Johore	4,224,465
Brunei	79,447
British North Borneo	93,498
Sarawak	951,118
Hongkong	2,582,101
	$35,021,510

But what part of these enormous sums have the authorities spent for improving their preventive services, if according to them the smuggling of opium from China is really such an enormous problem. The United States has devoted large sums of money from her treasury to prevent the smuggling of liquor, and should the British colonial authorities allow their opium revenue to accumulate in the colonial treasury instead of making use of it to prevent smuggling. The yearly accumulation of the opium profit has resulted in the large surplus of $72 million in the government treasury in 1929.

Thirdly, is the smuggling of opium from China really a problem which could not be adequately dealt with? As compared with the territories of other Powers in the Far East, the Philippines is also very near to China and has quite a large-sized Chinese community. Unlike the British and Dutch authorities, the Philippine government has prohibited opium since the territory was taken over from Spain and has never entertained the idea of deriving a revenue which is founded upon human misery. What the American authorities have been able to do in the Philippines the British, Dutch and Japanese authorities should also be able to do in their respective territories.

After all is said and done, in my humble opinion, both financially and politically, the foreign colonial governments should be able to enforce suppression within their territory. The opium revenue they collected during the past will no doubt enable them to build up and maintain a preventive service to cope with smuggling, while unlike China they have been blessed with political stability to be able to carry out the task. The only element lacking is the will of the governments concerned to abandon the enormous revenue that has been realized from the opium traffic.

The League of Nations appointed a commission which came to the Far East last year to investigate this question. It is yet uncertain what sort of a report the Commission will submit to the League, although it would not be an unexpected tragedy if the report proves to be a paen of praises for the colonial governments. It is therefore necessary that the searchlight of public opinion be turned upon this question, involving as it does the welfare of a large number of human beings supposed to be living under enlightened Western rule.

French Municipality Uses Buses to Provide Vaccination Service

The French Municipality of Shanghai uses a fleet of three motor buses, fixed up with hospital accommodations, to provide free cholera vaccination for the residents of the French settlement. Since these medical buses were first put into commission on May15 this year, more than 60,000 people have been given free vaccination against cholera. This branch of the Public Health Service is under the supervision of Dr. Rabaute, director of the Sanitary Service of the Department of Public Health of the French Municipality. The three automobiles, which are equipped with the most modern apparatus for this type of work, are staffed by well trained Chinese doctors and aides under the leadership of Dr. Siu Tsouan-tsiun.

Earlier in the year, before the cholera season set in, these same medical cars were used to carry anti-smallpox vaccine, and when the danger of cholera is over for the summer, the buses will again be put into service to fight smallpox.

U.S. Challenge to China's Tung Oil Monopoly

BY ARTHUR A. YOUNG

CHINA'S monopoly in tung oil will soon be a thing of history. Reports show that America, whose paint and varnish industry is heavily indebted to tung oil, will not continue indefinitely buying fifteen million dollars worth of tung oil from China every year. Those who subsist on the tung oil business in China will be the first to feel the effects of America's challenging inroad on China's monopoly of this product.

Tung oil ranks as the fourth largest chemical import into the United States. Claiming that over $75,000,000 of American money is spent outside of the United States for paint oils, of which amount $15-$20,000,000 is for tung oil, farmers argue that production of tung oil in America will divert a large part of this sum to the purchase of American products.

Nor is America alone in resisting China's monopoly of tung oil production. Aware of tung oil's importance in the development of civil and commercial aviation, the Empire Marketing Board in London has recently made grants in an effort to capture tung oil production for Britain and the Dominions. Promising trials in the growing of tung oil seeds are now being made in Australia, New Zealand, South Africa, Kenya, India, Burma, Ceylon, Assam, the West Indies, Hong Kong, the Malay States, Cyprus, Palestine, and Tanganyika.

While the British are just starting, Americans have been for twenty-five years experimenting with tung oil production. So successful have been their efforts, that the growers in the South, sensing a great future in this young industry, went to Washington during the heated months of the new tariff debate, demanding that tung oil be erased from the free list and a duty imposed on its importation. The growers failed because of concerted manufacturers' opposition, but facts revealed show that in five or ten years China's monopoly in tung oil markets will go the way her once famous leadership in silk and tea has gone.

Introduced into the United States through the National Botanical Gardens at Washington, twenty-five years ago, the tung tree has given every indication of adaptability to Southern growing climes. At Bogalusa, La., the Great Southern Lumber Company has planted 10,000 trees, reported as flourishing. Experiments conducted by the Department of Agriculture in tung oil tree growth and oil production in Florida, Alabama, Missisippi, North Carolina, South Carolina, Texas, Georgia and Louisiana have brought excellent results. Similar experiments in California have been similarly encouraging.

400,000 Trees in Florida

In Florida alone there are over 400,000 tung oil trees No insects or diseases have affected trees grown in this part of the country over a period of twenty years. Modern tractors and modern transportation methods are in use.

For two years now the first extracting plant in America, if not in the world, has been turning out oil in commercial quantities in Florida, and the oil is pronounced by users as superior to any imported oil. It operates in steady runs of twenty hours a day and at a capacity of sixty gallons of oil hourly. American experts who know China say that this plant does the work of 700 to 1000 Chinese workmen. To operate the unit requires one man and two or three helpers. The oil content in the residue is reduced to 5 per cent as compared to 18 or 20 per cent in China.

The *Manufacturers' Record*, in strongly advocating tariff protection for tung oil growers in America, believes that this industry could be developed not merely by the paint and varnish people, who, of course, would prefer to control it, but by other interests if they could be assured of a protective duty which would give them justification for going into business.

The *Record* printed considerable data as to why paint and varnish makers in America opposed a tariff at this time. Mainly it was because production was not in sufficient commercial quantities to offset large dependence on Chinese sources. It was the paint and varnish industry which took the initiative in subsidizing tung oil production in the United States, with the hope one day of breaking up the Chinese monopoly, but it feels that the time is not yet ripe for tariff protection.

What are the exact thoughts of American paint and varnish leaders? Here are extracts from statements made in the *Manufacturers' Record* under various dates:

H. R. Smith of W. R. Grace and Company: "The practical development of the tung tree in this country is being financed by the paint and varnish manufacturers with the idea of breaking up the monopoly in this business now enjoyed by the Chinese."

Ludington Patton, president of the American Tung Oil Corporation: "It is our opinion that if and when America produces tung oil in volume a tariff will not be necessary."

The Sherwin-Williams Company, the biggest paint and varnish firm in the world;

"The National Paint, Oil and Varnish Association has several experimental acreages in operation, and we are among the largest contributions to this work. We certainly are interested in anything which will stimulate the production of tung nuts in the States. Would be glad to cooperate to the extent of purchasing the finished product anytime the producers have material to sell.

"We think it would be safe to say that anyone who could raise and make American wood oil would have no difficulty in securing the market price for the material, as we understand the oil is much clearer and it would probably test up better than the imported material."

E. I. Du Pont de Nemours and Co, through its Development Dept.: "At present, our only source of supply is the oil which is imported from China, and we would naturally be interested in having available also a domestic source of supply."

The Boston Varnish Company: "We believe this venture is going to be a success, for the market is absolutely assured. China wood oil is the principal element in the paint and varnish business today. Our consumption runs from 15,000 to 50,000 gallons per month. We wish every success to the venture and believe it will be found profitable."

If the new tariff primarily designed to aid American agriculture accomplishes its purpose, the new impetus given to farming will undoubtedly find further reflection in a rapid development of tung oil production in the United States. With hungry home markets standing agape and a Congress ever obliging to erect a tariff wall for home industry, China's monopoly of tung oil production and distribution in world markets is destined to be seriously challenged in the next decade.

This is one of the last industries in which China still holds an undisputed world supremacy. If it is not to go and the thousands who depend on it for a living are not to suffer, efforts must be made to re-organize it on a modern basis that will stand foreign competitive threats. It is a subject which far-sighted Chinese business leaders should not neglect before it is too late.

Judge Purdy Decides Long Drawn Out Harbin Tramway Deposit Suit

Judge M. D. Purdy gave judgment in the U. S. Court for China August 26, against the National City Bank of New York for Harbin $465,182,73, (being the balance of two deposits made at Harbin in the year 1923, in favor of the Harbin Electric Joint Stock Co., Ltd., for $496,839.21,) with costs and interest at 6 per cent. per annum from August 25, 1930. Alternative defendants to the action were Messrs. Beckman & Linden Engineering Corporation and E. W. Beardsley, its former employee. The latter did not enter an appearance and was declared in default.

H. D. Rodger appeared for the Harbin Electric Joint Stock Co., Ltd.; W. S. Fleming and C. S. Franklin represented, respectively, Messrs. Beckmen & Linden Engineering Corporation and the National City Bank of New York.

Judge Purdy in his decision stated that the amount in dispute represented deposits which the plaintiff made with the defendant bank in Harbin in 1923. These deposits were made for the purpose of carrying out a contract for a Harbin tramway system. In the summer of 1924 diferences arose between the plaintiff and the Engineering Corporation. Later the Engineering Corporation abandoned its office in Harbin and removed them to California and thereafter construction work was abandoned and had not been resumed since. Judge Purdy held that neither E. W. Beardsley not the Engineering Corporation had any right to the deposits.

Unfriendly British Gestures Toward China

BY C. Y. W. MENG 孟昭泳

REUTER states that the British Government is reconsidering the problem of Weihaiwei in view of the unsettled conditions in China. It is further added that it is thought possible that rendition may be deferred until later than October, which was the time fixed for rendition in the recent Agreement.

From the *North China Daily News*, the British official organ in China, we know that the British Consulate in Changsha, as a result of a decision by the British Legation in Peiping, will be closed December 1, the reason alleged being the unsettled situation in the city and the unwillingness on the part of the naval authorities to risk a gunboat during the low water season.

Action Not Justified

The question that immediately arises in our mind is: Are the British justified to take these steps? What is meant by unsettled conditions in China? As pointed out by the writer many times in articles dealing with the present political situation in China the present war in China is not an ordinary, blind civil war but is a decisive battle in which the Central Government tries to establish its authority all over China. It is a war for the centralization of authority against the decentralization of authority wanted by discontented politicians and remnant militarists. If a war is fought for some reason, all agree that it should be fought to the end. During war it is "up" to foreigners in China to adapt themselves to the changing conditions and wait patiently for the bright days to come. In this connection, we can not do better than quote what is said by President Chiang who, after expressing his full confidence in the situation, said that "a way must be cleared soon for the national reconstruction and the realization of the political tutelage program". Sun Fo, (the only son of Dr. Sun Yat-sen) the Minister of Railways, has further assured us that the complete liquidation of the Northern rebellion will occur in a "few weeks" and that consequently the dawn of an era of permanent peace and unification is thus prophesied with certainty.

The above are sufficient to give assurances to the foreign diplomats that China will soon have peace. Indeed, after the disastrous defeat in Tsinan in which, according to the reports from *Rengo*, two-thirds of the Shansi forces were lost, and after repeated unsuccessful attempts to break the lines of the National Forces along the Lun-hai llne, both the Shansi and Kuominchun are no longer in a fighting mood, and complete liquidation is indeed only a matter of time. Under such circumstances, the reconsidering of the Weihaiwei issue with the intention of deferring its rendition is extremely unwise on the part of the British Government and very unfriendly to the Chinese. The British Government, by returning Weihaiwei to China, has won great favor with the Chinese, doing away with all the previous anti-British feeling. The Chinese regard the rendition of Weihaiwei as an example which would be followed by the return of many other concessions, such as Kwangchuowan, Port Arthur, Dairen, etc. While rejoicing over this rendition, just imagine how disappointed the Chinese were when they heard that the British intend to defer the rendition merely because the decisive civil war is not yet over. A friendly policy, if it is carried out even under the present difficult condition, will be far more appreciated by the Chinese than if it is carried out when China is in good order, as any action taken by any foreign friendly powers to yield to the Chinese aspirations at this time will have the very effect of strengthening the prestige of the National Government, which in turn will help the National Government to end the civil war at a much earlier date. So the British, if they are truly friendly to China, should carry out their friendly policy under all circumstances.

Closing of Consulate Unnecessary

As to the closing of the British Consulate in Changsha it is more than unnecessary. From *Rengo*, we know that according to a message reaching Hankow from Changsha, the situation there has again returned to normal. The town is very quiet and peaceful. Most of the male members of the Japanese families have returned to their residences already, it is reported. That is to say, the British would close their consulate when the rest of foreign community are returning to Changsha. Did the British Legation not hear of the monster mass meeting held at the first Public Park in Nanking to urge the Government to adopt drastic measures for the suppression of communists throughout the country? Did the British Legation not hear the issuance of repeated orders for a general drive against the communists? From the *Kuo Min News Agency*, we know that an order for a drive on the communist-bandits under Pang Teh-huai now infesting the Hunan-Kiangsi border was issued by Gen. Ho Ying-ching, the 4th Route Army under General Ho Chien and 9th Route Army under General Lu Tih-ping. The Hunan units engaged in the bandit-suppression campaign are now proceeding towards Pinghsian on the Hunan-Kiangsi border under the personal direction of General Ho Chien, while the Kiangsi troops under Tai Yoh are advancing southward from Tungku, western Kiangsi. By order of the Ministry of the Navy, a number of Government gunboats are being sent to assist the troops in the extermination of the outlaws.

According to the message from Changsha strong defence works are to be built around the city as precautionary measures against any further attempts on the part of the communists to invade the Hunan provincial capital. The entire construction is expected to be completed by the end of the month. Under such circumstances, no layman will take such a step as was decided by the British Legation in Peiping, which could only be interpreted as a folish step of the typical British die-hardism.

While naturally in full sympathy with the sufferers, both foreign and Chinese alike, in Changsha we have to point out the following facts:

The Changsha Affair

The Changsha Affair is only one of the communist uprisings which happens in every part of the world. It is not an anti-foreign moment nor a second Boxer Rebellion. The Chinese suffered far greater losses than the foriegners, there being no loss of foreign lives. Changsha is an inland port; it has never been formally opened to foreign trade. The right to trade as well as the right to demand damages are therefore open to doubt. The closing of the consulate could not rest on the ground that the naval authorities would not risk a gunboat during the low water season, because the sending of gunboats into inland ports of China is not even sanctioned by the "unequal treaties" but in itself is a violation of Chinese sovereignty. If Changsha is still considered not safe enough, it is far better for the British to hold the Chinese authorities responsible for the protection of British lives and property in Changsha than sending gunboats into the Chinese inland port—which is so bitterly condemned by all Chinese today. Let us ask the British authorities how do they know that conditions in China will not be settled before October, two more months to come, and how could they predict that Changsha would be "unsafe" for the British four more months in advance? The National Government has repeatedly announced that the Government would assume full responsibility for the protection of foreign lives and property; in the case of Changsha, the Government, right after the Affair, announced that it would pay all damages. Further, the Government has been taking vigorous steps in suppressing the communists and in doing defence work, aimed at the restoration of peace and normalcy in the city. That should be sufficient to end the trouble. All the parties should wait for the investigations before any "bills" are presented to the National Government and before any action is taken. But the British Government and the Legation in Peiping, ignore all these—apparently showing no sympathy with the National Government. The British authorities should maintain their present friendship policy toward China—if they want to send any more "trade missions" to China for the purpose of selling their surplus goods to the Chinese in order to solve their economic and unemployment problems at home.

Shanghai, August 22, 1930.

Cuban Sugar for China Sold at One Cent a Pound

Fourteen thousand tons of Cuban raw sugar have been contracted for September shipment to China at 1.04 cents per pound f.o.b. Cuba by the sub-committee of the New York Committee of bankers and sugar interests, which has been established recently to make a study of the actual sugar situation in Cuba in its relation to world markets. This sale, which was announced by *Reuter* in a telegram from New York August 22, is in addition to 6,500 tons of sugar sold to China previously at one cent per pound f.o.b. Cuba, a new low price.

The Present Crisis in Chinese Industry

(Translated by Hoh Chieh-hsiang

OWING to competition, of foreign goods, excessive taxation, chronic labor troubles, precipitous increase of labor wages, recurrent national calamities and infancy of technical skill, Chinese industries in recent years not only lacked opportunities of development and expansion, but the market for their productions has suffered such a depression as to make them virtually unable to support themselves. As a result of the present gold bar situation, they receive a further setback. Many industrial establishments, because of lack of capital, have to suspend working, while others maintain only a precarious existence. Consequently, foreign commodities monopolize our markets and their influence becomes increasingly acute. Our industries are now facing a grave crisis and unless immediate and practical measures are devised to relieve the calamity, no economic reconstruction is possible and no material progress can he made. In view of this situation, the writer* here presents a general description of the existing state of our industries and discusses their crisis in the following paragraphs.

Raw Silk Industry

Silk is a Chinese industry. Thousands of years before the Christian Era, it has been utilized as material for clothes-making and has since become one of the staple industries of our country. In foreign countries, our raw silk once had an extensive market. As early as 1869 its export trade was already worth Taels 19,582,842 a year. In 1873, modern filatures began to be established and as a result of increased production, our silk exports for a time were so large and prosperous that they almost dominated the world raw silk market. Since that time, the amount of exports kept on progressing with the time and in 1928, it reached the gigantic figure of Taels 145,443,481.

Unfortunately, the rapid growth of raw silk industry of Japan seriously affects our silk business. In 1905, Japanese silk exports began to exceed ours. From that time on ward, Japanese silk has undergone repeated improvements, while we made no corresponding progress in our silk manufacture. At present, the Japanese raw silk export trade with the world's greatest raw silk market —the United States—increases by leaps and bounds, whereas the Chinese exports travel in an opposite direction. According to statistics, the United States in 1927 imported 552,001 parcels of raw silk (one picul per parcel), among which Japanese silk occupied 482,905 parcels and Chinese, only amounted to 65,815 parcels. In 1928, America imported 509,147 parcels from Japan and merely 53,148 parcels from China. From these figures, we can readily see how great is the proportion of difference between the Japanese and Chinese raw silk export trade with the United States. Further, if we compare the silk export trade with our total export commerce, raw silk exports in 1867 occupied 32% of our total foreign commerce and in 1928, it decreased to only 14%.

In the year past, our raw silk trade with America began to pick up, but still we can not compete with the Japanese. Meanwhile, our silk market in Europe has also greatly declined and now becomes futher depressed As a consequence, many Chinese filatures are obliged to cease functioning. For instance, Shanghai had 106 filatures, but during the two months of Nov. and Dec. of 1929, fifty of them became bankrupt. In Wusih which is one of principal silk centers of China, there were formerly 47 filatures, while now only 35 are existing, six being bankrupt and six others closed last year.

The depression of our silk export trade is mainly attributable to two causes. First externally, Japanese investment in our silk industry has created a serious rival for our silk traders and the invention and general consumption of the artificial silk greatly reduce our silk market. Secondly, the qualities of Chinese silk are rather unrefined and this is due to the lack of good modern filatures and want of technical improvement in manufacture. Lastly, the heavy taxation also constitutes a burdensome encumbrance upon its development.

Silks.

Chinese silks have always been famous and in times past enjoyed a very enthusiastic market, both in China and abroad. However, in late years, our silk business steadily declined and the paesent downward trend beomes almost unchekable. In Huchow, during the past ten years, over thirty silk factorices became successively bankrupt; many others in Hangchow also suspended operation last year and recently, because of their enormous losses, they have decided to increase the price of silks. In Shanghai the various silk factories, for similar reason and business depression, are also deciding to reduce the wages of the workers as a measure of relief. In Soochow, only two-tenths of the faciories are functioning, while other silk producing centers are also in a depressing state.

The causes for this precipitous decline in our silk business are many, but the following must be considered as the principal factors responsible for the present situation: First, the exorbitant and numerous taxes make silk business both burdensome and unprofitiable and many people refrain themselves from being engaged in such business. Secondly, owing to the rapid increase of wages of the workers, the silk merchants find it very difficult to make ends meet, not to mention profits, Thirdly, the frequent outbreaks of labor troubles results in aggravation of relationship between Capital and Labor and because of the lack of sincere co-operation between them, the qualities of the products deteriorate. The outcome is depression of the market and finally closing down of business. Fourthly, owing to the general disturbing political situation and the rampancy of robbery, capitalists and banks are very reluctant in making loans to silk merchants who hampered by lack of capital are compelled to give up business. The fifth cause is the encroachment of foreign silks upon our market, which our silk merchants with meager capitals can not compete with. In recent years, Chinese people develop peculiar craze for things fanciful and foreign and the foreign silk merchants taking advantage of our low customs tariff and meeting the minds of our people, fill our market with their picturesque and novel silk products which find ready consumers. As a consequence, the market for our native silks becomes more limited and dormant. Lastly, the export trade of our silks has met with rejection. In the past, Korea and Annam had been two principal importers of our silks. Since the increase of tariff by the Korean Customs in 1920, our silk trade with that country has received a heavy blow and the market gradually decreased. In 1924, the Korean Customs took further steps to exclude our silk and forcibly included it in the list of luxuries. Our silks imported to Korea have since been subjected to such a high tariff as 100% to 140% *ad-valorem*. As a result of these vigorous measures, Chinese silk trade with Korea is now practically at an end. As regards Annam, our silk exports suffered from the same high tariff wall which prevents the expansion of our silk market in that country.

Cotton Industry

Cotton has been used in China for many centuries and in the days of manual spinning, it was one of the principal industries of China. But since the introduction of foreign cotton goods, this manual industry has almost become extinct. In 1887 (14th year of Kwangsu), the first modern cotton mill was established in Shanghai by Li Hung-chang and during the six years from 19th year to 25th of Kwangsu, over fifteen new cotton mills had been set up in Shanghai, Wuchang, Wusih, Ningpo, Hangchow, Soochow and Nantung with 565,000 spindles. In 1916, their number was increased to forty-one and that of spindles, to 1,145,000. At that time, the World War was in full swing and the Pritish exports of cotton goods to China suddenly decreased. Taking advantage of the situation, our cotton industry made striking progress and many new cotton mills sprang up like mushrooms. Some of the mills in the Treaty Ports made immense profits. Since the World War, our cotton industry, though not so prosperous as in previous years, nevertheless continued to grow and in 1928 we had altogether seventy-four mills, while the number of spindles had heen increased to 2,087,508.

However, in spite of the rapid growth of the cotton industry, our cotton products were far from being sufficient to meet the demands of our vast population. Owing to this inadequacy, our people can not but look to foreign countries for supplies and consequently, the imports of foreign cotton goods become so great as to occupy the first item in our import commerce. In 1928, the total imported cotton goods were worth taels 258,011,353 (excluding raw cotton) which came principally from Japan.

Further, since the conclusion of the Treaty of Shimoniseki in 1895, Japan, utilizing its improved machineries and abundant capital, freely established cotton mills in the interior of our country to engage in the manufacture of cotton products and the number of Japanese mills and spindles increases every year. According to a recent investigation, there are now 37 large-scale Japanese cotton mills in China: 25 at Shanghai, 6 at Tsingtao and 6 at Hankow, Taian, Liaoning and Dairen. with a total number of 1,454,160 spindles. Notwithstanding the repeated boycott movements against Japanese goods, which only affected direct imports from Japan, Japanese cotton industry in China has incessantly been expanding.

*NOTE: This article is freely translated from the Current Events Magazine, Nanking and the writer here refers to Chao Ching-yuan, author of the article.

Now not only the consumption of cotton goods in the interior of China depends upon the supply of Japanese mills, but even India and the Malay Islands also import Japanese cotton products. According to a latest estimate, of the total number of spindles, Chinese owned occupy 57%, British 4%, while the Japanese 39%. Judging by the figures, we can realize the enormous influence of Japanese in our cotton industry, almost half of which is in their hands.

In the face of keen Japanese competition, our cotton industry labors under overwhelming difficulties and a large number of cotton mills have declared bankrupt. In the meantime, Japanese cotton interests, capitalizing the situation, are taking active measures of expansion and if their ambitious schemes should materialise, our cotton mills would be deprived of all opportunities of competition. Indeed, our cotton industry has reached a grave crisis!

The Flour Industry

The Chinese flour industry dated shortly after the Sino-Japanese War of 1904 and is one of the most important of our modern manufacturing industries. According to statistics of 1929 issued by the Bureau of Economic Information, our flour industry principally centers in Changchung, Harbin, Shanghai, Wusih, Tientsin, Wuchang-Hankow, Tsinan and Shansi, Honan, Hopei, Suiyuan and Yunnan. At present, we have over 193 flour mills with a total capital of $60,000,000. our flour trade was very prosperous. Thanks to the World War, we exported large quantities of our over-productions to Europe and in 1923, the amount of our exports reached 3,449,758 piculs. But since that year, owing to the change of the situation, instead of exporting, we began to import foreign flour to meet our demands and in 1924, the imports already amounted to 6,499,877 piculs.

The reversal of our flour commerce from exportation to importation is mainly ascribable to the following causes: lack of capital, unsettled political conditions, recurrent calamities, crop failures, and heavy taxation and consequent upon these, foreign flours seized the opportunity to penetrate into our market. In recent years, due to repeated famines, our native wheat production is sufficient for only six months' consumption, while the demands of the other six months are largely supplied by Canada, United States and Japan. Since the tremendous rise in the price of gold, except some flour mills in the interior which have stored sufficient materials to carry on, over two-thirds of the flour mills in Shanghai, because of the heavy cost of foreign wheat, have suspended working; while many others only maintain a laborous existence. The natural outcome of such a situation is that the productions of Chinese flour mills are diminishing and foreign importations, increasing.

As in the field of silk business, our flour industry faces the same competitor Japan, Japanese flour interests have established flour mills in Harbin, Changchung, Shanghai, Tsinan, Tsingtao, Tientsin and a few other places. The exports of Japanese flour to China during 1929 amounted to over 9,000,000 bags. Compared with the exportation of 1928, it increased to 50% last year. Recently, the Japanese flour capitalists, in order to monopolize our flour market, have formed a combine for flour business with China. In view of this, it seems inevitable that our flour industry will be subjected to further Japanese pressures in future.

Match Industry

Matches, though a rather insignificant thing, are however a daily necessity. Because of our vast territory and population, the annual expenditure on their consumption is indeed enormous. Our first match manufactory was established forty years ago in Shanghai. But owing to the increasing demands, many other match factories have come into existence. According to statistics collected by the Bureau of Economic Information, up to 1929, we had altogether 189 match manufactories: 23 in the Three Eastern Provinces, 27 in Shantung, 14 in Hopei, 9 in Shansi, 3 in Kansu, 18 in Kiangsu, 6 in Chekiang, 41 in Kwangtung and Kwangsi, 3 in Shensi, 3 in Fukien, 11 in Honan, 6 in Hunan and Hupei, 5 in Anhwei, 7 in Yunnan, 13 in Szechuen.

Notwithstanding the apparent rapid growth, our match industry in late years has suffered heavily from the competition of Japanese and Swedish merchants, particularly the latter now. The Japanese match trade with China has declined to a negligible extent and is worth our serious attention. Our chief competitor in this industry is the Swedish match capitalists. In 1919, the Swedish export of matches to China was only worth Taels 2,960. But in 1923, it has been increased to Taels 639,645 and in 1928, to Taels 639,645, while the indirect exports have not been counted. As China lacks materials for match manufacture we have to import them from foreign countries and in 1928 our import trade with Sweden in such materials already reached the figure of Taels 43,927.

At present, more than twenty different brands of Swedish matches are registered with our Trade Marks Bureau. In the Three EasternProvinces, the Swedish mstch merchants are active in absorbing Japanesematch industry, and now a large portion of Japanese match manufactories there have been transferred to the Swedish hands; so even in Japanese match trade with our country ,there are also Swedish elements. As to their method of marketing in China, the Swedish merchants adopt the policy of reduced sale. For example, the minimum price of first class native matches is $33 to $34, while the Swedish matches of the same grade are sold only at $28 to $29. In the same way, the second and third grades of Swedish matches are considerably cheaper than those of our native production. Naturally, under the present circumstances, our match trade can scarcely expect to compete with the Swedish. Many Chinese match manufactories, in Kwangtung, Fengtien, and Kiangsu, because of the heavy pressure brought to bear by the Swedish Capital, have gone into bankruptcy. Further, since the persistent rise in gold bar exchange, the cost of the imported match materials for our native match manufacture increases enormously and the match business further declines. The Swedish merchants, taking advantage of this opportunity, have made redoubled efforts to expand their business. Just a few months ago, they bought a Japanese match manufactory in Shanghai and installed modern machineries to expedite match manufacture, whose rate of production is many times that of our match factories. At present, the Ministry of Foreign Affairs is taking steps to restrain their expansion and meanwhile the Chinese match merchants in the Three Eastern Provinces have also formed an association to deal with the Swedish encroachments upon our match market. But in view of the powerful financial position of the Swedish our merchants can hardly compete with them and the prospect of our match trade is by no means very bright.

Tobacco Industry

China grows many different kinds of tobaccos, but most of them are unfit for cigarettes manufacture. Owing to this, we annually waste enormous sums in importing foreign cigarettes. In view of this heavy flow of money to foreign countries, our industralists have started cigarettes manufacture of our own. During the past few years, our tobacco industry has progressed at an amazing speed. So far as Shanghai alone is considered, the cigarette factories have exceeded 160 in number.

In our tobacco industry, naturally the first place must be assigned to the Nanyang Brother's Tobacco Company. At first, the products of the company were largely for the market of Kwangtung and the Malay Islands; but during the Great War, as a result of the decrease of the imports of foreign cigarettes, its business began to be extended to the various cities in China and the Company established a factory in Shanghai to expedite production. In recent years, foreign cigarettes fill our market and of all our cigarette factories, only the Nanyang Brothers' could fairly compete with them.

While it must be said that the growth of our tobacco industry is rapid, the heavy taxation greatly impedes its development. For instance, for every case of cigarettes of the value of $400, a tax of $64.7 is collected and besides this regular tax, they are subjected to other minor ones and levies, before they can be put into market for sale. In addition, the treatment between Chinese and foreign tobacco merchants is unequal and the former are placed at a disadvantage. To further aggravate the situation, the repeated labor troubles and rise of labor wages make the tobacco leaves of our cigarette factories are more than 70% imported from abroad and the constant rise in their price necessarily involve corresponding rise in the cost of cigarette production. Under these circumstances, our cigarettes manufacturers are facing a very difficult situation and in order to keep up their business, they have to suffer mute losses. Owing to foregoing reasons, the Nanyang Brothers' Tobacco Company sustained a loss of $2,000,000 in 1928 and over $3,000,000 in 1929. The present gold bar situation further seriously affects the various cigarette factories that depend upon imported leaves. The Shanghai factory of the Nanyang Brothers' has been temporarily closed and other branches of the Company have also reduced their scope of business. Many othey factories in Shanghai, because of the difficulty of procuring capital, are also obliged to close up business. According to a recent investigation, the Chinese cigarette trade in the Yangtzse Valley shows steady decrease, while that of foreign cigarettes with the same region is fast mounting and the average rate of consumption every day is 1.600 cases and at one time exceeds 3,000 cases. In view of this striking growth of the foreign cigarette trade, one can not help feeling depressed about the future of our tobacco industry.

GIANT FORD PASSENGER PLANE REACHES MUKDEN

Mukden officialdom as well as foreign consular officials turned out in force on August 7 to inspect the giant Ford passenger plane when it landed in that city after a flight from Japan. *Upper Left*—The Consular Body inspects the plane. *Above*—Aviator Hutton and officials of the Mukden Aviation Bureau. *Left*—A picture of the plane taken shortly after it landed. The plane carried 17 persons or an equivalent weight in merchandize. It is planned to fly the plane to Shanghai shortly.—*Northeastern Photo Service, Mukden.*

China's Importation of Japanese Cocoons

BY PAUL K. WHANG

The news that China has contracted to buy 20,000 bales of Japaness cocoons is startling as well as amusing, It is startling, because it is the first time in the annals of China's silk industry that China has ever imported foreign cocoons to be used in her filatures. It is amusing, because instead of buying off the supply of Chinese cocoons as they attempted to do last year, the Japanese silkmen now sell their own cocoons to the Chinese silkmen. In the past few months, rumors have been current that Japanese silk interests through its representatives in Shanghai has approached the Chinese silkmen for the disposal of its surplus cocoons. This secret deal had been going on for some time until one month ago when it was made known that some unscrupulous silkmen have accepted the Japanese offer by taking 20,000 bales of Japanese cocoons. Up to the time of writing this article, two batches of 2,000 bales each have already been shipped to China.

This importation of Japanese cocoons has been an alarming news to the Chinese cocoon merchants. The Chekiang cocoon merchants have lost no time to send a petition to the National government asking for the levy of a heavy duty upon Japanese cocoons. The petitionruns as follows:

"Cocoons have been a staple product of our farming population, and silk has been the chief item of our exports to the U. S. and Europe. Therefore the cocoon and silk industry has a great bearing upon the livelihood of our farmers and the existence of our country. Recently there have been big shipments of Japanese spring cocoons to China, and owing to their cheap price, some unscrupulous silkmen have secretly bought them and used them in place of Chinese cocoons. If this tendency is left unchecked, shipments after shipments will invade our market, and the position of China's cocoon and silk industry will be greatly endangered. In order to uplift China's cocoon and silk industry, we petition that the government should levy a heavy import duty upon the Japanese cocoons."

At the outset, I must say that there is no reason to justify the Chinese silkmen to import Japanese cocoons at the present time. Granting that the spring crop of this year is poor, we yet have no fear of a shortage of our supply. We still remember that the spring crop of last year was even poorer, but at the end of the season there were thousands of piculs left over in the godowns. Since we have enough supply ourselves, why should we store our cocoons and use Japanese cocoons instead? They may be cheaper in price, but their testing result indicates that they are much inferior in quality, and that they are only fitted to make the silk of a coarser size. It must be known that China silk has its own characteristics: Its lustre and fine size can not be equalled by the Japan silk. It is only through these characteristics that China silk has commanded a high price in the foreign market. If we use the Japanese cocoons to make China silk, it goes without saying that China silk in general will lose much of its fame, hence its ground to the Japan silk.

That the Japanese silkmen have assumed no friendly attitude towards China's silk industry has been long known to the Chinese silkmen. Last year when our spring crop was very poor, Japanese silkmen attempted to buy off Chinese cocoons in order to make the situation still tenser. But this year they change their tactics by dumping the cheap goods in the Chinese market in order to kill China's cocoon trade. It is generally known that the Japanese silkmen have had a very hard time to keep their filatures running this year and that many of their filatures have been closed down. In order to relieve their financial difficulty, they have sought an outlet of their surplus cocoons. Besides China, there is no other ideal place to absorb this surplus. The cocoons offered by the Japanese silkmen are of inferior grade, inasmuch as they have kept those of a good grade for their own use. In selling their cocoons to the Chinese silkmen, they will not only dispose of their cocoons of inferior grade, but wil l bring a relief to their strained financial condition.

In view of China's present financial condition which has been much hit by the silver slump, the Chinese business men should refrain from making any unnecessary importation of foreign goods. This big importation of Japanese cocoons will certainly reflect upon the local money market, as it will cause a great outflow of gold. In order to protect China's silk industry, our government should step in at this juncture to bring a stop to the importation of Japanese cocoons by adopting immediately the measure suggested by the Chekiang cocoon merchants.

Shanghai, August 22, 1930.

Foreign Competitions and Chinese Cotton Mills

BY B. Y. LEE

(In The Chinese Nation)

THE tendency to large scale production has shown itself in all countries since the industrial revolution, and China is no exception. The characteristic feature of the tendency is that the size of the individual establishment becomes larger, and that the total number of establishments becomes smaller. The movement towards combination of several establishments under one management is in part a result of the intensified competition which comes with the investment of fixed capital. The advantages claimed for production on a large scale are well known to many Chinese industrialists now-a-days, but they are confronted with the problems of increased complexity of industrial organization and financing. The history of China's industrial revolution is comparatively new; and generally speaking, it may be said to have begun in 1900. Since then on account of lack of ample supply of capital and efficient methods of industrial management, coupled with a low protective tariff and civil wars, Chinese industrialists have struggled with undaunted courage to reach their present supremacy.

Among the staple industries in China, the cotton mill industry is the most important and employs more operatives than any other single line of industry, whose total capital is more than one hundred and a quarter millions of dollars, the geographical distribution of which is from Kiangsu to Manchuria. The first cotton mill was established in Shanghai in 1896, and to-day there are 124 mills equipped with 4,131,236 spindles employing about 240,000 operatives. Out of these, the Japanese own 44; the British, 3; and the Chinese, 77. The cotton mill industry is one of the largest and oldest industries that is being conducted on a large-scale production. On account of wide fluctuations of exchange rates, the amount of capital invested in each mill can not be the best standard for measuring the size of the cotton manufacturing industry; the number of spindles in operation per mill is the best standard.

In the past, practically all Chinese-owned mills were semi-incorporated companies; and as a rule, the managing director and the general manager, who were usually officials, did not take active part in the management of the mill. The old type industrialists have gradually disappeared; a new type of men possessing modern technical and business training has taken an active part in the cotton mill industry. As a result, many Chinese owned mills are being managed as efficiently as many Japanese mills are. The following table shows the average size of cotton mills during the past 25 years:—

Year	No. of Chinese Mills	No. of Foreign Mills	No. of Spindles in Chinese Mills	No. of Spindles in Foreign Mills
1896	8	5	225,267	204,342
1906	17	5	426,767	214,347
1916	30	11	721,105	400,146
1925	76	37	1,600.000	890,000
1930	77	47	2,325,792	1,705,444

Year	Averages No. of Spindles Per Chinese Mill	Averages No. of Spindles Per Foreign Mill
1896	28,000	40,000
1906	25,000	43,000
1916	24,000	36,500
1925	21,000	25,000
1930	30,000	36,000

Steadily and slowly, the average size of Chinese mills has increased, especially during the past few years. The number of mills remains practically unchanged, while the number of spindles has increased by nearly three quarters of a million. Many large mills are really combinations of several mills, each of which is a more or less complete cotton mill in itself. Formerly one corporation controlled one mill; now one corporation controls several mills. At present one British company controls 3 mills; 13 Japanese companies control 44 mills and 60 Chinese companies control 77 mills.

Chinese Start with Small Units

Like other industries, the cotton mills that have been organized by Chinese have been comparatively small per unit of establishment, as the capacity in factory management and sources of securing the initial capital among the Chinese capitalsts have been rather limited. The cotton mill boom during 1917 to 1921, on account of the European War was responsible for a rapid growth of the industry, adding more than 1,000,000 spindles; and after this boom a continuous business depression took place since 1922 up to 1929. Last year was one of the best years for the cotton mill industry, and many well-managed mills made enormous profits.

The Chinese mill owners, being tied down to the large investments of fixed capital, have been compelled to stand and fight out the competition from foreign mill owners, particularly the Japanese, who are in control of 44 mills in China, most of which are located in Shanghai, Tsingtao and Tientsin. Their mills are in the hands of influential bankers in Japan. On account of the keen capitalistic competition with the Japanese, coupled with a continuous business depression during the past few years, many old Chinese mills, particularly the small ones, have been either bankrupted or sold; on the other hand the successful Chinese survivors have acquired greater skill and greater power in the competition. As time passes on, a greater and greater amount of capital and equipment are required to give any hope of a successful struggle. Thus, in spite of the enormous growth of the industry, the relative number of cotton mills has of late, under the same management, shown a noticeable decrease. This is chiefly due to the concentration of management in the hands of fewer owners that has taken place. The most striking illustration of concentration and integration of the cotton mill industry is the development of the Sang Sing and The Wing On Cotton Mill Corporations, which control nearly 25 per cent of the total spindlage among the Chinese owned mills.

The following mills, the Wing On No. 1, No. 2, and No. 3 are under the control and management of the Wing On Cotton Mill Corporation:—

	Spindles	Looms
No. 1	44,000	2,400
No. 2	110,000	
No. 3	63,000	240
Total	217,000	2,640

The No. 1 mill is located in Lay Road, Yangtsepoo, and was established in 1920 with a capital of $6,000,000; the No. 2 is located in Woosung, and was purchased in 1925 for 1,600,000 taels; the No. 3 is located in Markham Road and was purchased in 1928 for 1,280,000 taels. Since last year the total capital of the Corporation has increased to $12,000,000.

The following mills are under the control and management of the Sang Sing Cotton Mill Corporation:

	Spindles	Looms
No. 1	38,000	1,110
No. 2	75,000	
No. 3	51,000	504
No. 4	15,000	
No. 5	34,000	
No. 6	18,200	
No. 7	52,000	448
No. 8	10,000	
Total	294,000	2,062

The Nos. 1, 2, 5, 7 and 8 are located in Shanghai; the No. 3 is located in Wusieh, Kiangsu; the No. 4 is located in Hankow; the No. 6 is located in Chengchow, Kiangsu. The No. 7 was purchased in 1928 for 1,700,000 taels from the British.

The Dah Sung Mill Corporation, under the leadership of the late Hon. Chang Chien, controls 4 mills with the total spindlage of 160,064. The Sing Wah Mill Corporation under the leadership of Chow Hsueh-tze, former minister of finance, controls 4 mills with the total spindlage of 116,000.

	Spindles	Looms
The Wing On Mill Corporation	217,000	2,640
The Sang Sing Mill Corporation	294,000	2,052
The Dah Sung Mill Corporation	160,064	1,342
The Sing Wah Mill Corporation	116.000	
Total	787,064	6,034

It is readily seen that these four corporations operate 19 mills with the total spindlage of 787,064, constituting more than 33 percent, of spindles in operation in all Chinese owned mills.

The Sang Sing Cotton Mill Corporation with T. K. Yung as the managing director is the older and larger of these four corporations. Mr. Yung, being a native of Wusieh which is known as "the Small Shanghai," is very popular and influential among business circles in Shanghai, particularly among the native bankers, who have helped him financially many times during the business depression in the past years. He also is managing director of 19 flour mills in Shanghai and Hankow, hence he is known as the "flour king" in China as well as the "cotton king." Mr. Yung is 57 years old. Besides being the managing director of 19 flour mills and 8 cotton mills, the total capital investment of which is about $40,000,000, Mr. Yung is also director of numerous commercial and industrial enter-

prises in Hankow, Shanghai, Tientsin, Wusieh, and Shantung.

The Progressive Young Family

The form of business organization of Mr. Yung's mills is semi-corporation, as the capital has been subscribed mostly by Yung's "family," and Mr. Yung himself owns more than one-third of the total capital in each mill in which he himself is managing director. No shares of his mills are ever sold in the open market as they are owned practically by a few persons, who are intimate friends of Mr. Yung, and hence the public at large has not the slightest idea of the total assets or profit and loss statement of his mills. Practically all the products of the mills under his management bear the same trade mark, but they are sold at different prices. The general office for all Sang Sing mills is located at 58 Kiangse Road.

Kwok Loh, a co-managing director of the Wing On department store, is the managing director of the Wing On Cotton Mill Corporation. Born in Chung Shan District, Kwangtung, in 1875, Kwok Loh went to Australia at the age of 20. In 1916 he returned to Shanghai to organize the Wing On departnent store, after having amassed a fortune abroad. He is more a "captain of industry" than a capitalist as he is not a very large shareholder in the mills of which he is the managing director. The shares of the Wing On Mills have been practically all subscribed by the Overseas Chinese, particularly the Australian Chinese, who are the principal shareholders of the Wing On department store. For this reason the shares of the Wing On Mills have always commanded a very high price as most of the shareholders are not residents in Shanghai. At present the shares are sold $200 per $100 share, for during the past two years, the Wing On Mills, it is reported, have made several millions of dollars.

The Wing On Mills, especially the No. 1 Mill, located in Yangtsepoo, is said to be one of the best managed and most progressive mills in China. All three Wing On Mills are managed by American returned students, who have received technical education in American colleges. In these three cotton mills, the daily production of both yarn and cloth are also higher, the wages and salaries paid to employees are also higher, the product is sold at a higher price, and the cost of production is lower than in many other Chinese-managed mills in Shanghai. The methods of management and accounting employed, and the treatment of workmen are similar to those in common practice in western countries. Although the initial capital of the Wing On Cotton Mill Corporation is only $12,000,000, the total investment, including the running capital, runs to more than $25,000,000, at present.

Kwok Loh, being a co-managing director of the Wing On department store, the Wing On Life Insurance Company, the Wing On Shipping Investment Company, etc; is in control of many other commercial and industrial enterprises with total assets of more than $50,000,000, and hence he can easily solve many knotty financial problems that may arise in any one of the enterprises under his control by utilizing the idle surplus capital of his prosperous enterprises for his less prosperous ones. For this reason all the enterprises under his control have seldom received any financial help from outside in time of business depression. A part of the fifth floor of the Wing On department store is used as the general office for all the Wing On Mills. This means a great saving of expenditure, and at the same time this place is very convenient for the cotton and yarn dealers to handle their business transactions.

The reasons which have hastened the formation of these cotton mill corporations toward large scale production are many: In order to meet the keen competition with the Japanese mills in China, which are in the hands of a few bankers in Japan, the Chinese mills must be operated on large scale production in order to survive, for it reduces the cost of production and increases the efficiency of the working forces. The general wealth of the country as a whole has considerably increased of late, and hence the people have more money to invest in industrial enterprises. During the past two years, the price of Chinese raw cotton has dropped considerably, while that of yarn remains practically the same, which has enabled many well managed mills to make enormous profits. The tariff autonomy that has come into force has created much activity among Chinese capitalists to further increase production to meet foreign competition in future, particularly the Japanese, who have planned to organize huge cotton mill trusts to operate chains of cotton mills in China.

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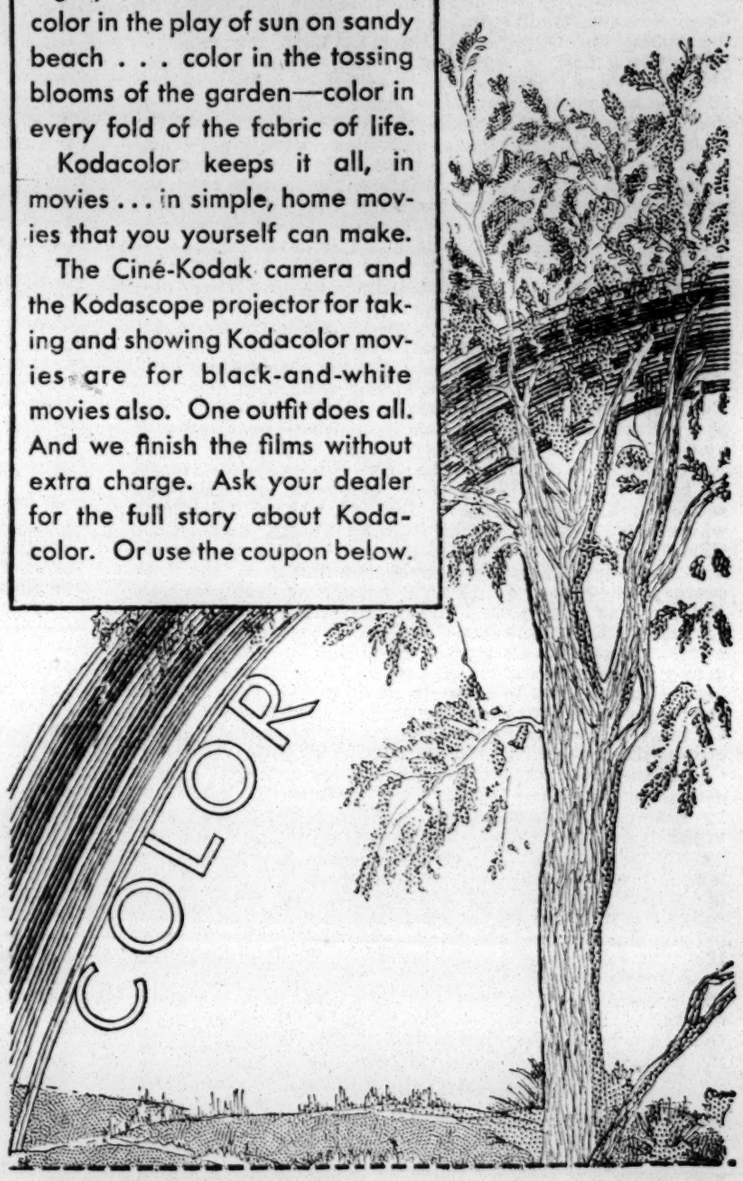

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Harbin Also Has Its Religious Problems and Complications

BY E. U. BARUNG

SINCE the commencement of this decade the city has become the scene of a battle where Christianity represented by various denominations grapples with Confucianism, Buddhism, and Taoism, religions prevailing among the Chinese of Harbin. That the religious rivalry is a fact is evidenced by the numerous Chinese (Buddhist) and Christian church buildings in the city. In addition to a number of others in the Chinese sections of the city, two Chinese temples—the one Buddhistic and the other Confucian, magnificent buildings—were newly erected on the outskirts of the city close to the Christian cemetery, as if in defiance to the innumerable crosses over the graves, and to the cross surmounting the Russian church at the cemetery. The Chinese, because of their remarkable religious toleration, play a passive role in the struggle. It is the different sects of the Christian Militant Church that lead the charge on the religious beliefs of the Chinese people here. From these, with regard to activity, the Russian Orthodox Church must be excluded. Although there are Russian missionaries in the city, they do not propagate Christianity among the Chinese; for the reason that they, perhaps, recognized their complete failure in the work. First, Christians of Russian nationality in China were, probably, Russian soldiers—a number of whom were captured by the Chinese during the war which terminated in the Nerchinsk Treaty of 1685, the first Sino-Russian treaty. On being brought to China these prisoners of war were settled in the close neighborhood of Peking (Peiping), where they founded a special Russian village and built a Christian church. The commencement of Russian missionary work dates from the early beginning of the 18th century, when the first mission, headed by archimandrite Illarion was sent by the Russian government to Peiping (Peking). Money was spent and efforts were made by a number of Russian clergymen in China to win followers among the people, but the number of converts has been so insignificant as not to be worth while mentioning. And at the present time, far from preaching Christianity to the Chinese, the local clergy of the Russian Orthodox Church confine themselves only to defending against the other Christian denominations here who have managed to win over some of their flock. The defence is conducted by zealous performance of all the services and rites prescribed by the canon, by preaching, by relief work, by anathematizing the apostates, and by education. It may be of interest to note that North Manchuria at present is the only country in the world where religion is included in the curriculums of the public and private Russian schools as an obligatory subject among the rest to be taught to the pupils, as it was practiced all over Russia prior to the advent of the Bolshevists. But the schools—the Chinese Eastern Railway schools—controlled by the Soviets are exceptions; the system at these schools, conforming to that at schools in the U. S. S. R., does not admit teaching religion.

Russian Orthodox Splendor

With regard to the number of members, among the Christian Churches of the city the Russian Orthodox Church predominates, and possesses, as compared to all the rest, enormous means. There is a fine cathedral which, being situated on the top of an eminence, the highest in the Harbin vicinity, overlooks the whole city. Besides thist here are 18 churches with as many parishes around them, and two new churches are being erected; the one at the old cemetery and the other at Pristan, business section of the city. Each church is filled with highly colored and richly adorned ikons and valuable sacred utensils, and has a splendid chorus formed of individuals of both sexes, The artistic singing and the imposing magnificence of the Russian divine service attract many foreigners of Harbin who frequent the cathedral and other churches. They find the service especially fascinating when Metropolitan Methodius, head of the Harbin Diocese officiates on great holidays, such as Christmas, Easter, etc.

Whereas the Russian Ortbodox Church has failed to get proselytes among the Chinese, its elder sister, the Roman Catholic Church has achieved, comparatively, a great success. According to an authoritative source there are over two million and a half Chinese Catholics in China, 70% of the clergy, six bishops among them, being of Chinese nationality. In this city the Catholics have two churches in the Russian section of the city and one in the Chinese with membership amounting to 4,500, the members largely being Poles by nationality.

It is of interest to note that the Roman Catholics opened in 1928 in Harbin a special Diocese for Russian Catholics in China. The bishopric Council of the Diocese has considerable means at its disposal, the funds being assigned by the Holy See. They erected a number of buildings in the city and have opened a college for 230 girls, a seminary for 40 boys and a primary school for 50 girls, being assisted in their educational work by two Catholic nunneries at Harbin, the one of St. Ursula and the other of St Frances. Their main aim being to promote the unification of the Roman Catholic and the Russian Orthodox Churches, they do not seem to proselytize. It is the missions of the different Protestant denominations here that energetically propagate their religious doctrine among the Chinese and Russians, as well as making every effort to get converts. Among the Protestant Missions the following are to be mentioned:

The Danish Lutheran Mission

This mission is one of the oldest among the Protestant missions working among the Chinese of Harbin. It began its work in 1912 and has ever since been on a steady growth. In 1924 it built a large, and one of the most commodious, churches in the city. There is also a Lutheran church at Old Harbin. Total membership of the two churches is about 700. The mission has established three schools for boys, at which about 250 boys are educated, and two schools for girls, with an enrollment of about one hundred pupils. Besides these schools which are located at Fuchiatien, Chinese section of the city, there are two schools—the one for boys and the other for girls—at Old Harbin.

The Methodist Episcopal Mission South

The beginning of the work of this Mission for the Russians of Harbin can be reckoned from August 1921 when a number of American missionaries arrived in the city. Hardly any other mission here has spent as much money and energy as the Methodists did in their efforts to spread Methodism among the Russians of Harbin. They opened and maintained for about four years a hospital, an English Language Institute, Theological school, and a High school (Grammar school) for about 1,000 pupils, boys and girls. After existing for six years the Methodist Mission in Harbin was closed in July 1927, and the American missionaries left the city. As a result of their work they left in Harbin a church with 150 proselytes of Russian nationality, and as outgrowths of the Harbin church outstations at Tsitsikhar, Tokatu, and Manchuli, to be guided by Russian pastors that had been converted to Methodism and ordained by the American missionaries. Although the true reasons for the closing of the missionary work can be stated only by the Methodists themselves, it, however, may be supposed that one of the reason was the unsatisfactory results of their efforts—considering the energy with which the Americans conducted the work and the sums of money spent by them to organize the work, to establish and support the educational and charitable institutions in the city. At the outset of their work they hoped to meet with a good success, for they thought the then prevailing situation was exceedingly favorable for their missionary work, there being, because of the revolution and civil war in Russia, tens of thousands Russian refugees in the city, most of them in distress, among whom they hoped to get converts. But their expectations did not realize. There are numerous Russian Orthodox churches at Harbin as well as at other centres in North Manchuria where the immigrants could respond to their instinct to worship. Moreover the passing of the C.E.R. to the Soviet management in 1924 caused the Russians in this city to split into two groups—the Soviet and the non-Soviet; the people of either group displaying a hostile attitude towards the Methodist doctrine; those of the Soviet group because they had to show themselves atheistic in order to please the Soviet authorities and therefore continue to be in the employ on the C. E. R; and those of the non-Soviet or the White immigrant group because they have thought that to stick to the doctrines and rites of the Russian Orthodox Church has meant to be a strict preserver of the White Russian ideals, and the faithfulness to the religion of their fathers to be both patriotic and soul-saving. The Russian clergy of the Harbin Diocese, among whom there are a number of well-educated priests, started an energetic counter-Methodist campaign. Furthermore at Russian churches the people have accustomed themselves to have things to satisfy their artistic desires; there are imposing figures of saints painted on ikons to gaze at, and melodious strains to listen to. To a common Russian the Russian priest in his rich brocade vestment standing before the richly adorned altar, which is held by the Russian peasantry too sacred to approach, inspires a sort of sacred awe, while

the Methodist pastor in his plain civilian suit is but a man, just an ordinary man. They regard the Methodist churches, as well as churches of any other Protestant denomination, too plain, and the service a tedious matter.

The Methodist schools, being well organized, the parents gladly sent their children to the schools, impressing, however, upon them at home to be faithful to the principles of the Orthodox Church. So the ends of the parents and the directors of the schools disagreed: the parents wishing their children to acquire knowledge only, while the ultimate aim of the directors was to get the young generation to be members of the Methodist Church. Influence of the parents being triumphant, the schools were closed. But the Methodists do not seem to have abandoned altogether the idea of promulgating their religion among the people of North Manchuria. It is reported that at the quadrennial All-Methodist Conference that was held in America in the middle of May it was resolved to send new missionary workers to Manchuria. But it may be that now that they plan to work among the Chinese here, for whom the work was already begun in spring 1924. The efficiency of the preachers has been confined to Pristan, where regular church services and Sunday school and Bible classes are held by a pastor of Chinese nationality each Sunday, and Evangelistic services four times a week. As yet the number of followers is insignificant.

The Baptist Mission

The Baptist Mission work for the Chinese of Harbin commenced in autumn of 1920. At the opening of the work there were already a small number of Christians who had come from Shantung, Shansi, and elsewhere. They, together with some converted here, were organized into a church in September of 1921, with a membership of 25. The Rev. C. A. Leonard—who is the only foreign missionary here with his family, arrived in Harbin in July of 1921 and has ever since been at missionary work among the Chinese population of Harbin and at a number of other places in the province. He has worked for about 25 years in China, is a thorough master of the Chinese language and knows perfectly every thing pertaining to the people, their religious beliefs, psychology, etc. The Baptist Mission is one of the most successful in the city. The aggregate membership of its three churches located at different sections of Harbin amounts to 1200 people. As outgrowths of the Harbin Baptist church there are six outstations at Chinese towns of the province, at which, there being about 200 Christians, members of the church, evangelistic services and prayer meetings are held regularly. The stations are often visited by Rev. Leonard. And the number of the converted is rapidly increasing. When making one of his trips at the beginning of this summer Rev. Leonard baptized 30 persons at a time. The work of the Baptist Mission among the Russians of Harbin is conducted by Russian workers. There is a church the commencement of which dates from 1920. The membership does not exceed 150 people.

The Adventist Mission

Judging from the experiment made by the Methodists here it may be concluded that foreigners are least fitted to promulgate their religious doctrine among the Russian people. The Adventists seemed to have been more prospective than their brethren, the Methodists; for while the latter, being American, preached, especially at the outset of their work, through an interpreter, the Adventists used preachers of Russian nationality whom they had educated and ordained in America and sent in 1920 to Harbin for the missionary work among the Russians. A foreigner preaching to Russians in a foreign language through an interpreter! and a Russian preaching to Russians in their mother tongue—aside from technical inconveniences, there is a great difference psychologically. Although, externally, the circumstances allowed equal chances, the results proved that while the Methodist missionary task in Harbin was almost barren and thankless, the Adventists have been comparatively successful. They possess fine mission premises, have two churches in Harbin and several small churches and outstations in different towns in North Manchuria, their total membership amounting to more than 600 people, have a printing shop, and a school at which 60 pupils are educated. Although the converts are drawn by the Adventists, as well as by other Protestant missions here, from the poorer classes, financially the Adventists fare better than the rest of the missions. The tithe,—the payment of which is obligatory, according to their religious principles, for all the members of the Adventist church—largely accounts for this. About two years ago the local Adventist Mission, having prepared some of its Russian missionary workers by teaching them the Mongolian language, started preaching the gospel to the Mongols of Barga, with the result that two Mongols were converted who are now being educated to be preachers of Christianity to their people.

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Missionaries To North Manchuria

Rev. W. J. Hanna of the China Inland Mission is now at Harbin. Previous to his arrival in this city he visited Tsitsihar, capital city of Heilungkiang province, and other places in the province. Shortly he is leaving for different places along the Sungari river with a hope to reach down to Lahasusu. His object in travelling about in North Manchuria is to make investigations for the purpose of opening an extensive missionary work for the Chinese in this country. Rev. W. J. Hanna is a Canadian. He has been doing religious work in China for 25 years and is thorough master of the Chinese language. He says that the situation is such as to require about 200 religious workers to be added to over 1,000 missionaries now at work in China.

Harbin, August 22, 1930.

Chinese Boy Scouts Get Poor Reception in Bangkok

According to the *South China Morning Post*, the Siamese authorities in Bangkok have ordered the eight members of the "Flying Eagle Patrol" of the Chinan University Boy Scouts Corps, Shanghai, to leave the country as soon as possible as their travelling papers, showing their identity, and the purpose of their visit, were found not to be in proper order. The boys are making a tour of the Far East and had expected to stay in Bangkok about two weeks.

Chinese Urge Better Protection in Siam

The Shanghai Overseas Chinese Association is urging the Ministry of Foreign Affairs at Nanking to negotiate a treaty with Siam and to open Chinese consulates in Siam. It is pointed out that according to the latest statistics compiled by the Siamese Government, the total number of Chinese nationals resident or domiciled in Siam exceeds 400,000. Owing, however, to the absence of treaty relations between China and Siam, Chinese nationals have been subjected to much discriminatory treatment.

In the Fields of Finance and Reconstruction

Settlement Has 13,983 Bicycles

The Shanghai International Settlement, according to a report of the tax office of the municipal council, now has 13,983 bicycles, an increase of 953 since last year. The Shanghai fee for bicycle licenses in $3 a year.

Chinese Agricultural Society

The China Society of Agriculture held its thirteenth annual meeting at Tsingtao on August 24, a large number of the country's leading agriculturists being in attendance. Representatives of the Ministry of Agriculture and Mining, Ministry of Education and the Japanese Society of agriculture, were also in attendance. The conference well be in session for one week.

Five New Government Factories to be Opened

The Ministry of Industry, Commerce and Labor on August 24 announced plans for the early opening of five new factories consisting of a textile plant, woolen mill, salt and sugar refineries and a chemical laboratory. The cost of the enterprises, estimated at $5,000,000, will be financed through a public loan which recently was authorized by the Executive Yuan. The Ministry of Finance was authorized to formulate measures for the sinking fund so as to facilitate early action.

Examinations for Military Instructors

Military organizations in various parts of the country have sent a large number of candidates to Nanking for the annual examinations for military instructors in the higher middle schools and colleges in various parts of the country. The examination are being held under the direction of the Inspectorate General of Military Training in the National Capital. Two years ago the Government ordered the incorporation of military courses in all government middle schools, colleges and universities.

Government to License Makers of New Weights and Measures

The Legislative Yuan on August 5 adopted regulations providing for the licensing of manufacturers of the new metric system of weights and measures. In addition to giving detailed instructions regarding the new system of weights and measures, the regulations provide that no one may manufacture them without a license from the Weights and Measures Bureau. Any person found guilty of manufacturing non-standard scales or measures will be debarred from further manufacture of these articles.

Miners Must Work Concessions

The Ministry of Agriculture and Mining last week issued instructions that concessions for the opening of mines in the country which had been granted in the past, will be cancelled in the event the opening of mines has been postponed without sufficient reason; over-long suspension of mine operations; mining taxes in arrears for a certain period and other reasons considered sufficient by the Ministry to warrant cancellation of the concession. The action was taken to speed-up mineral production in the country.

Hangchow Exhibit for Tourists

J. K. Choy, Mayor of Hangchow, capital of Chekiang province, announced on August 22, that the municipality had decided to establish a permanent exhibition of the artistic products of the city for the benefit of the tourist trade. The exhibition will be housed in a building constructed in the vicinity of West Lake, by the Shanghai-Hangchow-Ningpo railway in connection with the National Exposition which was held in Hangchow last year. Local producers and manufacturers will establish permanent exhibitions of their work in the building.

"Poppy" Lands for Cereals

The National Opium Suppression Commission has sent a memorandum to the Exeutive Yuan at Nanking urging the adoption of drastic measures for the suppression of poppy (opium) growing and recommends all districts magistrates be urged to encourage the utilization of such lands for the growth of cereals. A further memorandum sent to the Ministries of Interior and Agriculture and Mining urges their cooperation in a nation-wide survey to determine the extent of poppy-cultivation in various parts of the country.

To Enlarge Government Manufacture of Agricultural Implements

Plans have been announced for the enlargement of the Government factory for the manufacture of agricultural implements which is located in Soochow, Kiangsu province. Heretofore the output of the factory has been for Kiangsu province exclusively, but according to present plans the factory is to be enlarged so as to produce modern implements for other provinces. The Ministry of Finance has also issued an order exempting the output of the factory from all payments of transit duties, the purpose being to stimulate the use of modern implements. The Soochow factory is the only one of the kind in the country.

Reorganization of Grand Canal Engineering Bureau

The Grand Canal engineering bureau, previously located at Yangchow, will be transferred to Chinkiang. according, to a report of the Kiangsu Provincial Reconstruction Bureau on August 21, the report stating that the bureau is to be completely reorganized. In order to make the work of canal improvement more efficient the engineering bureau will be divided into three sections, the first section to be located at Yangchow and to have charge of the work between Kwachow and Lokan. The second section will have its headquarters at Kaoyu and have charge of the area between Kaoyu and Paoying, while the third section, having charge of the area between Tsingkiangpu and Peihsien, will be located at Tsingkianpu.

Would Abolish Japanese Post Offices in Manchuria

The Ministry of Communications has asked the Ministry of Foreign Affairs to immediately open negotiations with the Japanese Government for the withdrawal of Japanese post offices in South Manchuria. It was pointed out in the communication that Japan is the only country still operating post offices on Chinese soil, all other foreign governments having withdrawn their postal agencies since the Washington Conference in 1922. It was declared that the maintenance of post offices on Chinese territory by the Japanese Government, has no treaty basis and constitute a deliberate disregard of China's sovereign rights and while the Chinese Government has frequentiy protested the Japanese Government "on various flimsy pretexts" ignored the Chinese Government's protest.

Reorganization of Banque Franco-Chinoise

The Chinese-French banking institution, known as the "Banque Franco-Chinoise le Commerce et l'Industrie", which was organized in 1925 following the collapse of the Banque Industrielle de Chine. is shortly to be reorganized according to a statement of the Ministry of Finance on August 21. The report stated that the Finance Ministry had petitioned the National State Council to appoint Chu Cheng-chang, manager of the Manufacturers Bank of China and Li Cheng-i, former commissioner of finance in Fukien province, as Chinese directors in succession to Li Kuang-chi and Su Yu-chun. In addition to these appointments it was stated that Tseng Yung-fu of the National Finance Readjustment Commission, has been appointed auditor and Chien Yung-ming will be vice-chairman of the Board. The bank has a capital of 50,000,000 francs, one-third of which was put up by the central government of China.

Regulation of Private Universities and Technical Schools

The Ministry of Education has formulated new regulations for the control of private universities and technical schools according to an announcement on August 21 which stated that all such schools must be registered. Those shown to be doing satisfactory work will be granted a subsidy by the Central Government or provincial and municipal governments or be allotted a sum from the unexpended funds of the Boxer Indemnity, The institutions making special contributions to education or Chinese culture will be given special recognition by the Ministry of Education. All institutions not registered within a specified time will be closed, and all registered schools must submit to regular inspection. Those not maintaining certain standards will be closed and those found to be deeply in debt also will be closed upon their inability to obtain further funds.

Foreign Ministry to Protest Bans on Chinese Immigration

The National Ministry of Foreign Affairs, on August 22, according to a report circulated by the official *Kuo Min* news agency, is planning shortly to take up with foreign governments the matter of restrictions which have been placed on Chinese labor immigration. The view was expressed that while the right of sovereign states to restrict the immigration of foreigners into their domains, is recognized, such restrictions should not be directed at particular states. Restrictions against Chinese labor immigration, specially designated, by various foreign states in the past, according to the statement of the Foreign Ministry, is regarded as "an affront to China and a flagrant breach of the comity of nations."

China to Enter Indian Market

In response to appeals from Lu Chun-gong, Chinese Consul-General at Calcutta, India, the Ministry of Industry, Commerce and Labor in cooperation with Chinese silk interests, is planning to actively enter the British Indian market. A recent communication from the Chinese consul at Calcutta stated that the present Indian boycott of British goods, had created an excellent opportunity for the introduction of Chinese goods, particularly silks. Following receipt of this communication the Chinese General Chamber of Commerce circularized silk interests throughout the country calling their attention to the opportunities in India. As a result the Chinese silk interests have made a large collection of samples which will be sent to India for exhibition purposes and according to report a number of salesmen will be sent to India immediately.

Chiaotungpu to Erect Buildings in Pootung to Make Telegraph Apparatus

In order to develop domestic industries and to replace imported goods with home-made ones, the Chiaotungpu some time ago established a telegraph apparatus factory in Winchester Road and a battery factory at Chowkadoo, Pootung, to supply the government telegraph offices in the various provinces with the necessary telegraph equipment.

The factory in Winchester Road, it may be recalled was partly destroyed by fire early this spring and it had to be removed to another building in Markham Road which proved to be inadequate for its purpose. A branch was established by the Ministry in Manila Road the year before last, but the building here was likewise too old and too small. Factory plans have been drawn up by the Ministry for the construction of new buildings on the vacant space near the Chowkadoo battery factory.

Plans for the Reclamation of West Lake at Hangchow

Arthur M. Shaw, American consulting engineer in the employ of the Chekiang provincial government, has submitted a plan to the provincial authorities for the reclamation of West Lake, located at Hangchow. The lake, which was once a part of the sea and an arm of Hangchow Bay, has gradually silted up, partly due to erosion and partly to a profusion of aquatic plants which grow in the district. According to Mr. Shaw's plan a section of the lake is to be deepened and the mud used to fill in certain sections, thus providing new land and rounding out sections of the shore. About 1,200 mow (one mow equals one-sixth of an acre) of new land will be created, it being estimated that the dredging operation will cost about $5,000 a mow. New machinery costing about $200,000 will be purchased for the dredging operation. When completed it is estimated that a uniform depth of six feet for the reclaimed portion of the lake will be obtained. The reclaimed land will be sold to defray the cost of the work.

Tallest Apartment Building in Orient Planned for Shanghai

The Chinese Joint Savings Society, on Saturday, August 23, announced plans for the construction of a 17-story apartment building, thought to be the tallest strucure in the Orient. It will be located on Bubbling Well and Park roads and will be modern in every respect conforming to latest ideas in apartment house construction in the United States. The property where the new building will be located was purchased recently from H. S. Honigsberg and Company for Tls. 450,000, The demolition of the old building was started this week.

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Other new construction projects noted in the trade and building supplement of the *Shanghai Evening Post* on August 23, included a two-story addition and general remodeling of the Whiteway, Laidlaw department store, a British enterprise located in the down-town section of Shanghai.

Wm. C. Cowling, an official of the home office of the Ford Motor Car Company of Detroit, who was in Shanghai last week, stated that the Ford company had plans for increasing the size of its present assembly plant here.

The city of Sungkiang, located in Kiangsu province, south of Shanghai has announced plans for the construction of a new model prison to cost approximately Tls. 16,000, replacing the present antiquated buildings. The new city prison at Sungkiang is part of the general plan of the Kiangsu High Court to rebuild all prisons in the province.

Another New Road in Kiangsu

Construction was started on August 26 on a new highway 25 miles in length to connect Chinkiang on the Yangtsze with Kuyuan, which when completed, will connect Chinkiang with the new inter-provincial highway connecting Nanking and Hangchow. The work will be completed by the end of the present year.

China Would Buy Half the Danish Fleet

A dispatch from Copenhagen, Denmark, which appeared in the *New York Times* on July 29 stated that an agent of the Chinese National Government had arrived in Denmark and was negotiating for the purchase of the Danish coast defense crusier "Niels Juel," which the Chinese Government is planning to put in service on the Yangtsze against the bandits and along the South China coast against the pirates. The crusier is 3,500 tons and carries ten 5.9-inch guns, it having served for a time as the Royal ship of King Christian. The Chinese Government was stated to have offered between G. $2,750-000 and G.$4,165,000 for the cruiser, which the Danish Government estimated would be sufficient to build a new ship. The Danish fleet consists of but two crusiers, the "Niels Juel," and the "Heimdal."

Hankow Chief China Tea Center

The city of Hankow, located 600 miles west of Shanghai on the Yangtsze, has become the chief tea-exportiug city of all China according to a report which appeared in the last issue of the Chinese Economic *Bulletin*. The report stated that other tea-exporting centers such as Ningpo, Canton, Kiukiang and Tientsin, had been surpassed by the central-China port. A reason for Hankow's supremacy has been the establishment in that city of a large brick-tea pressing plant which exports to Soviet Russia.

A report by the *Kuo Wen* news agency on August 23 stated that one recent shipment of tea from Hankow to Soviet Russia amounted to 1,300 tons, 70 percent of which was brick tea and the remainder green tea. It was stated that another large shipment was scheduled for the middle of September. The shipments go directly by boat from Hankow to Vladivostok.

The same issue of the *Bulletin* stated that China export of pongee silks had declined from Tls. 10,000,000 in 1925 to less than Tls. 6,000,000, a reason for the decline being stated as the civil-war and political disorder in the interior of the country which had caused the farmers to discontinue production of pongee-cocoons.

Power Company To Build New Broadcasting Station

The Shanghai Power Company, according to an announcement in the Trade and Building supplement of the *Shanghai Evening Post* on August 23, is planning to construct, early in 1931, a new broadcasting station which will be located in the International Settlement which will have sufficient power to reach all parts of China and near Pacific islands. The station will be located at Connaught and Gordon roads and will be of one-kilowat output, with a wave-length of 1,500 kilocycles. The studio will be located in the down-town section of the city. C. S. Taylor, vice-president of the coupany, stated that the new station will be operated on a commercial basis and will be open to the public, broadcasting both foreign and Chinese programs including music, market and news reports, etc. The foreign musical programs will be under the supervision of the Shanghai municipal orchestra. Mr. Taylor stated that the equipment will be purchased in the United States and Great Britain. The plant will cost about Tls. 100,000.

The Chinese Government, according to an announcement several weeks ago, is also planning the early establishment of a high-power broadcasting station which probably will be located in Nanking.

Details of the New Sino-German Air-Mail-Passenger Contract

The *Kuo Min* news agency on August 20 released to the press an official statement giving details regarding the ambitious Sino-German project to establish an air-mail-passenger service between China and Germany. The details of the contract are as follows:

The contract provides for the organization of a Sino-German Aviation Corporation in accordance with Chinese law for the operation of the air lines. The Corporation is to have a capital of $3 million to be divided into three thousand shares of $1,000 each. The Chinese Government will hold 2,000 shares; the German Company, 1,000 shares. Within three months after the coming into force of the contract, the Chinese Government is to pay up $200,000 of the subscribed share capital; the German Company, $100,000. Within nine months, the German Company is to advance adequate funds for the purchase of all necessary machines and equipment, and in consideration thereof, the Sino-German Corporation is to issue to the German Company shares up to the value of the funds so advanced.

The administration of the Corporation is to be vested in a Board of nine directors, of whom six are to be nominated by the Chinese Government, three by the German Company. The Board is to have one Chairman and two Vice-Chairmen. Under the Board, there shall be three departments; namely, business, finance and operation. The capital and other cash assets of the Corporation are to be deposited in a Chinese bank.

The Corporation is to operate the following air mail and passenger lines:—

Shanghai to Berlin: via Nanking, Tientsin, Peiping, Manchuli, and Siberia.

Shanghai to Berlin: via Nanking, Tientsin, Peiping, Kulun (Outer Mongolia) and Siberia.

Shanghai to Berlin: via Nanking, Sinkiang, Kansu and Siberia.

Forty-Three Banks Registered with Finance Ministry

Eleven new Chinese banking institutions in various parts of the country were granted registration under the new banking regulations between January and June of this year, according to a report last week by the Ministry of Finance. A circular announcing the registrations, which was mailed out to the various provincial governments, stated that the new registrations with the Ministry are only granted when the banks conform to the Government regulations. The total number of Chinese banks to which registration has been granted is now forty-three. Practically all the banks which have been registered are incorporated under the limited liability law. The banks which were granted registration this year are as follows,

Name of Bank	*Head Office*	*Date of registration.*
Bank of Colonization for Szechuan and Sikong	Chungking	January
Tung Yih Bank	Shanghai	January
Hsuchow Kuo Min Bank	Hsuchow (Kiangsu)	February
Putien Bank of Industry	Putien (Fukien)	February
Ho Kun Trust Company, Ltd.	Shanghai	March
Agricultural and Industrial Bank of China	Tientsin	March
Tientsin Yisheng Bank	Tientsin	April
Sin Hua Commercial and Savings Bank	Peiping	May
Chung Hua Commercial and Savings Bank	Shanghai	May
Ningpo Commercial and Savings Bank	Shanghai	June

Shanghai Municipal Salaries Commission Makes Report

The Shanghai Municipal Council made public end of last week the report of the Salaries Commission appointed in May, 1929.

One of the principal recommendations is that the Director General's office should absorb in its entirety the Secretariat; that the title of Secretary be appended to that of Director General, and that the higher administrative staff consist of: one director general and secretary; one deputy secretary; two assistant secretaries, one foreign and one Chinese. The title of Director General was adopted upon the appointment of Stirling Fessenden in deference to his exceptional ability and experince in the Council's service, and beyond including the title of "Secretary" with that of "Director General" no further change of title is recommended during his tenure of office.

The Commission recommends that the *Municipal Gazette*, the annual report, and such other matters published by the Council of interest to all ratepayers, should be translated into Chinese under the supervision of the Director of Chinese Studies, whose staff should be sufficiently increased to enable these additional duties to be expeditiously and accurately carried out.

The Commission recommends that the Revenue Office be transferred under the control of the Finance Department, the major portion of its work being financial. It is also recommended that when the present Commissioner of Revenue retires the title be allowed to lapse and be replaced by that of Assistant Treasurer or similar designation.

New Posts for Chinese

The following is a summary of the recommendations of the Commission for opening up the Council's service to Chinese in the higher grades: *Director General's office*,—Assistant Chinese Secretary; *Public Works Department*,—training of Chinese Student Engineers and Surveyors for ultimate service in the Council; *Police Department*,—training of Cadets for service as Commissioned Officers in the Force; *Fire Brigade*,—training of Cadets for service as Officers in the Brigade; *Finance Department*,—the development of a staff for positions of increased responsibility in this department and higher grades of clerical staff in all departments. Upon the recommendation of the Commission, the Commissioner of Health is prepared to train Chinese Cadets for ultimate service as Health Inspectors and suitable provision is made in the grading scale for this purpose.

The Commission recommends that the salaries of foreign employees other than Japanese should in future be defined as consisting of two-thirds pay and one-third repatriation allowance, but only the total of these two items would be shown as salary in the pay sheets; for Japanese one-half the repatriation allowance of other foreign employees. For example; a foreign employee other than Japanese, whose grade commencing salary is $600 a month, the equivalent salaries would be:

	Pay	*Repatriation Allowance.*	*Total Salary*
Foreign employee other than Japanese	$400	$200	$600
Foreign employee—Japanese	$400	$100	$500
Chinese employee	$400	—	$400

The Commission recommends that payment of all Municipal salaries should be made upon a dollar basis for the following reasons—(1) a smaller unit gives greater flexibility in scales of pay with possibilities of future economy, (2) sooner or later such a change must be brought about and a suitable opportunity is now presented in the revision and compilation of scales of pay for all departments.

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FINANCE AND TRADE NOTES OF THE WEEK

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Men and Events

P. N. Bush of the China General Edison Co. has returned to China from a trip to the United States.

Mrs. J. Warren Brown is due to arrive in Shanghai from San Francisco on the *President Pierce* September 5.

Wang Chia-ching, Vice-Minister of Foreign Affairs, and Mrs. Wang have returned to Nanking from Mukden.

H. G. W. Woodhead, editor of the *P & T Times*, was temporarily an inmate of the Victoria Hospital, Tientsin, during last week.

Mr. and Mrs. F. Sutterle, Jr., are due back in Shanghai from the United States on the *President Pierce* arriving here September 5.

Commander P. B. Haines of the U. S. Navy arrived with his family in Shanghai during the week and joined the Asiatic squadron.

Dr. Leonard Hsu, dean of the department of sociology of Yenching Universty, has resigned, but it is generally believed that his resignation will be rejected.

The death occurred in Shanghai August 25 of Mrs. Hsiung Shih-hui, wife of General Hsiung, garrison commander of ths Shanghai and Woosung Districts.

Gen. Chang Chun, Mayor of Greater Shanghai, who has been in conference with Marshal Chang Hsueh-liang at Peitaiho, is expected soon to return to Shanghai.

Admiral Tseng Yi-ting, commander of the Destroyer Flotilla, has been appointed Chinese delegate to the International Disarmament Conference to be held in Geneva in October.

Miss Marjorie Mott, daughter of Mrs. Ernest Julian Mott of San Francisco, California. and David Clyde Berger, American Consul at Swatow, were married recently at Hongkong.

August 28 is the anniversary date of the anexation of Korea by Japan and the Japanese police in Manchuria have been active in prevent outbreaks by Korean Communists in that region.

G. R. Hyde of Los Angeles has been appointed sporting editor of *The Shanghai Times* and will assume his duties on September 1. Mr. Hyde was previously a member of the staff of the Los Angeles *Herald*.

F. F. Vaughan, of the Standard Oil Company, is due back in Shanghai from the United States September 5. He is travelling by the *President Pierce* and is accompanied by Mrs. Vaughan and their young son.

Dr. John Wu, former acting president of the Shanghai Provisional Court, has returned to China after a visit to America, where he lectured at Harvard University. He will resume his law practice in Shanghai.

The office of the Netherlands Consulate-General in Shanghai which has been located at No. 9 Avenue Edward VII, is to be removed to 25 Rue du Consulate, the Sainte Anne Building, first floor, after September 1.

Mrs. Rosa Futterer, a well known member of the German community in Shanghai and F.H. Engels were married August 23, at the German Consulate. The ceremony was performed by Dr. Walter Fuchs, the German Consul.

Thomas St. John Beilby Alston, the only son of the late Sir Beilby F. Alston (a former Minister at Peking), and Miss Ivy Dorothy Franklin, the younger daughter of Mr. and Mrs. W. E. Franklin, of Buenos Aires, were married in London July 17.

The death occurred in Nanking August 21 of Miss Margaret A. Holme, one of the older missionaries in China. Miss Holme came to China from New York in 1894 to the Nanking Friends' work and was 66 years of age at the time of her death.

John Stephen Sewell, president of the Alabama Marble Company, a $2,250,000 corporation, with its principal sales office in Chicago, has joined the staff of the Chicago World's Fair to take charge of all foreign participation in the 1933 exposition.

Prof. J. G. Sakamoto, chairman of the Japanese Y. M. C. A. in Shanghai, and a member of the faculty of Tung Wen College, has returned to Shanghai from a vacation spent in Japan. Mrs. Sakamoto and their two children also returned at the same time.

Mrs. George Fitch, wife of the general secretary of the Foreign Y. M. C. A., is due to arrive back in Shanghai September 5, on the *President Pierce*. Mrs. Fitch is accompanied by her children, who have been attending chools in the United States.

Lieutenant Bromley, an American flyer, is in Japan making preparations for a trans-Pacific flight. *Rengo* telegrams state that his trial flights have been very satisfactory, but the trans-Pacific flight is being postponed owing to atmospheric conditions.

Judge Milton D. Purdy of the United States Court for China was a passenger for America on the Dollar liner *President Lincoln* which sailed from Shanghai August 29. He was accompanied by Mrs. Purdy. Judge Purdy expects to return to Shanghai some time in January

Sung Shu-chiao, secretary to the Ministry of Communications, has been appointed director of the Shanghai Telegraph Administration in succession to Chen Hsi-tseng, who was recently appointed acting manager-director of the China Merchants Steam Navigation Company.

A Japanese airplane, the *Hochi*, is making a flight from Berlin to Tokyo. Another Japanese plane, the *Tokyo*, is making a round-the-world flight. Both planes left Kazan, Russia, August 23, enroute for Ekaterinaberg. The *Hochi* arrived at Harbin on the evening of August 28.

Reuter announced August 23 that the Indian Government has sold a comparatively large amount of silver to a leading British bank with offices in Shanghai. Delivery of 5,000,000 ounces is to be made in Bombay next week, while delivery of a further large amount is to be made later.

A middle-aged Japanese was arrested by the River Police on board the *Kasegi Maru* early last Saturday morning and later sent to the local Japanese Consulate for attempting to smuggle more than $1,000 worth of gold bars and carrying a pistol and 19 rounds of ammunition.

The Japan Aviation Transportation Co. is making preparations for the operation of an air mail service between Shanghai and Fukuoka in the near future. One of the two seaplanes to be put in service is expected to be completed at the Kawasaki Dockyard middle of September.

Sing Nop, 56 years old, living in New York's China town was shot by a Chinese gunmen July 29. In Boston on the same day another Chinese was shot in a tong war. Feuds among the Chinese in American cities have become so frequent of late that projects are on foot to deport some of them.

The offices of the American Consulate General in Shanghai have been removed from Whangpoo Road to the old Kalee Building at the corner of Kiangse and Kiukiang Roads, opposite the Cathedral. The usual office hours, 9 a.m. to 12 and 2 p.m. to 4 p.m. are being observed. The new telephone number is 11199.

Chen Tieh-san, manager of the Shanghai office of the Ministry of Railways, died early this week of typhoid. He is survived by Mrs. Chen, one son and two daughters. Mr. Chen's parents also reside in Shanghai. The funeral service was held on Wednesday, Aug. 27. Mr. Chen was a brother-in-law of Sun Fo, Minister of Railways.

The second Pan-Pacific Women's Conference brought its meeting to a close at Honolulu August 22. Dr. Mei Sung-ting of Tientsin was chosen second vice-president of the Association. The president is Dr. Georgina Sweet of the University of Melbourne. A meeting of the Pan-Pacific Women's Association is to be held in Honolulu in 1933.

Judgment by default for $2,535.22 and costs was given by Judge Milton D. Purdy in the United States Court for China August 27 in favor of Peter V. Muraour, secretary of the American Club, against E. J. Harrison, former resident of Shanghai. Mr. Muraour lent $2,700 to Mr. Harrison on August 5th. Mr. Harrison is now in Manila.

Mrs. Theodor Olin Thackery, wife of the new editor of *The Shanghai Evening Post* and *Mercury*, is due to arrive in Shanghai with their child on the Dollar liner *President Harrison* on September 15. Mr. Thackery accompanied by Mr. and Mrs. Carl Crow, are returning via Siberia, and are expected to arrive here in the early part of September.

Oliver C. Macy, New York tea importer, in a letter to the *Tea and Coffee Trade Journal* makes suggestions for increasing tea consumption in the United States. In his opinion, tea is not likely to be consumed in greater quantities until users are taught to make it stronger. He advocates a co-operative advertising campain to teach Americans how to make tea after the English fashion.

A Bland Calder, U. S. Trade Commissioner at Peiping, accompanied by Mrs. Calder arrived in Shanghai this week and will make their home here. Harold D. Robison, who has been serving as Trade Commissioner at Shanghai, accompanied by Mrs. Robison, departed last Saturday for Tientsin, where Mr. Robison will be stationed in future. He will have charge of the new office recently opened in that city.

Dr. C. C. Wu, Chinese Minister to the United States, was due to sail from New York August 29 for Europe to attend the League of Nations meeting at Geneva. The *United Press* states that he expects to renew his efforts to obtain for China a seat on the League Council. Discussions with American authorities concerning the subject of extraterritorial privileges in China were again deferred, in view of the present military situation in China.

Lieut. Evans F. Carlson, formerly Intelligence Officer connected with the U. S. Marines stationed in Shanghai, has been appointed a captain in the Guardia Nacional, stationed at Jalapa, Nicaragua. After departing from Shanghai, Lieut. Carlson and Mrs. Carlson were stationed on the Pacific Coast, but on May 16 he was transferred to Nicaragua and shortly afterwards was appointed a captain in the Nicaraguan National Guard. In a letter to friends in Shanghai, Capt. Carlson stated that he was the commander of a force consisting of forty native constabulary and had charge of a district some 40 miles square which is entirely isolated from the outside world, there being neither telephone or telegraph, the only communication being by mountain trail.

Soviet-Japanese Fishery Dispute Becomes Critical

A Tokyo telegram says that the question of forced inspection of the account-books of the branch office of the Bank of Chosen in Vladivostok is developing into a serious international issue. It is the first time that this, the only, Japanese banking agent in Soviet Russia has received such rigorous inspection at the hands of Soviet officials. The Japanese feel that the Soviet authorities have adopted this measure with a view to driving Japanese fishermen out of Soviet waters. These fishermen have close business connections with the Bank of Chosen, the only Japanese firm allowed to transact business in Soviet Russia. Under areciprocal arrangement the Dalbank (a Soviet institution,) has been allowed to establish a branch in Japan.

This whole subject of Japan's reciprocal banking arrangements with the Soviets is to be gone into by Tokichi Tanaka, Japanese Ambassador to Moscow, who has just returned to Japan. Interviewed at Harbin, August 22, he said that Soviet-Japanese relations "are no better and no worse." He stated that the Councillor of the Japanese Embassy in Moscow, Mr. Amau, will remain in Moscow to continue negotiations with the Soviet Government on the subjects of the Siberian fisheries, wood concessions and the present pressing problem of the branch of the Bank of Chosen in Vladivostok.

The return of Mr. Tanaka, who was accompanied the Japanese Military Attache, from Moscow, has been responsible for a report from Harbin that he has been withdrawn by the Japanese Government as a protest against the action of the Soviet officials in Vladivostok in forcibly inspecting the books and accounts of the branch of the Bank of Chosen in that city. While the Japanese Ambassador declined to discuss the issue while in Harbin, it is known from independent reports from Vladivostok that the action of the Soviet authorities was intimately connected with the long outstanding dispute over the fisheries question, a vital matter with the Japanese since much of Japan's supply of fish come from Siberian waters.

The Japanese authorities in Harbin are of opinion that unless the Soviet authorities in Vladivostok, who are obviously acting upon instructions from Moscow, cease their insulting activities and apologize, that the Japanese will withdraw their bank from Russian territory. In the event this takes place, the Japanese undoubtedly will retaliate and force the Soviet Government to withdraw the branch of the Soviet State "Dalbank" from Japan.

Women Missionaries Still Held by Bandits

The efforts to rescue Miss E. Nettleton and Miss Harrison, of the Church Missionary Society, who were captured early in July while travelling from Chungan to Kieningfu in Fukien have so far not been successful. The Fukien military authorities, however, are hopeful of securing their speedy release, but the foreign authorities are somewhat sceptical. The British Consul at Foochow, A. J. Martin, is still at Kienning. It is believed that as a result of the attacks made by the troops, the Reds have split up into smaller bands and thus it may prove a more difficult task to trace the whereabonts of the captives.

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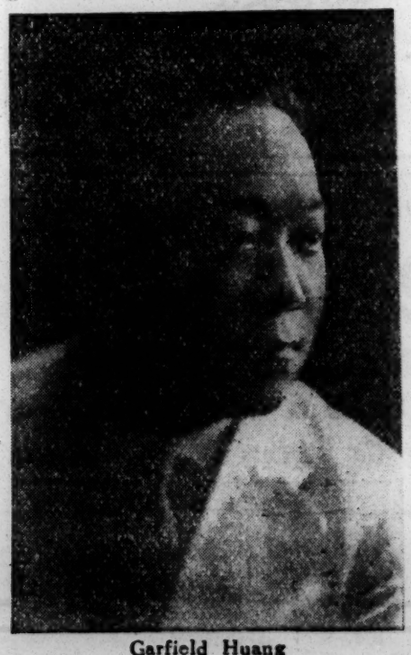
Who's Who in China

Chung Yin-tang, government official, born at Kutien, Foochow, 1880; was graduated from the Anglo-Chinese College, Foochow, 1903; taught in the Tientsin Anglo-Chinese College, 1905; secretary to the Musso law firm, Shanghai 1906; secretary to Timothy Richard and translater of books in the Christian Literature Society, Shanghai, 1907-1913; joined the Chinese Government salt revenue service as chief secretary of the Yunnan district inspectorate, 1914; was promoted to be assistant district inspector of Mohei Ching District, Yunnan, 1915-1919; transferred to the Peiching assistant inspectorate, Yunnan, 1920; transferred to Pingnan Kwei assistant district inspectorate, Kwantung, 1920-1925; transferred to the Yehhsieh assistant district inspectorate, Sungchiang district, 1925-1929; and transferred to the Fenglu assistant district inspectorate, Tangku, Changlu district, 1929-1930; Address: Fenglu assistant district inspectorate of salt revenue, Tangku, Tientsin.

Chung Yin-tang
鍾蔭棠字召芨

Garfield Huang, social worker; born at Amoy, Fukien; attended the Westminster College, Chinchew, Fukien; the Fukien University, Foochow, from which, he was graduated with B. A. degree, 1921; editor of the *Min Chao Magazine*, 1920-21; instructor in the Anglo-Chinese College, Swatow, Kwangtung, 1921-22; secretary, national committee, Y. M. C. A. of China, 1922-23; editorial secretary, National Christian Council of China, 1923-24; a founder of the National Anti-Opium Association of China, 1924; editor, *Opium a National Issue* (Chinese monthly) and *Opium a World Problem* (English quarterly); lodged vigorous attacks against high government officials involved in opium smoking and traffic, 1928; toured the different parts of the country to found branch anti-opium societies; associate general secretary and now general secretary of the National Anti-Opium Association, 1928 to the present; conducted general anti-narcotic educational campaign in the Yangtze valley and Manchuria, 1929; visited the variou Chinese centers in the South Seas including British Malaya and Dutch East Indies, studying the opium situation and also starting the anti-opium campaign among the overseas Chinese, 1930; a founder and honorary secretary of the National Child Welfare Association; address: National Anti-Opium Association, 4 Hongkong Road, Shanghai.



Garfield Huang
黃嘉惠

Wm. Z. L. Sung
沈嗣良

Wm. Z. L. Sung, educationist and director of physical training; born at Ningpo, Chekiang, 1897; attended the St. John's University, Shanghai, 1911-19; Oberlin College, Ohio, U.S.A., 1920-21; Columbia University, 1929-30; honorary general secretary, China National Amatuer Athletic Federation, 1921-1929; honorary secretary, Far Eastern Athletic Association 1925-27; physical director, St. John's University, 1919-28; dean, St. John's university, 1928—; acting vice-president of St. John's University, 1929—; address St.John's University, S'hai.

Hong Soong-mow, merchant; born at Ningpo, Chekiang, 1880; member of the Chinese General Chamber of Commerce of Shanghai; member of the board of directors, the Chinese Ratepayers' Association in the International Settlement; member of the Red Cross Society; member of the native goods factory association; member of the technical committee, the China institute of scientific management; chairman of the Chinese soap merchants association; director of Pootung steam and electricity company; director of the Dah Fong company; chairman of the board of directors, Ming Chong Iron Works; managing-director, Shanghai - Minghong omnibus company; director and general manager of the International Dispensary; advisor to the Ministry of Agriculture and Commerce of the former Peking Government; was awarded the 4th class and 3rd class Chiaho decorations; address: International Dispensary 581, Foochow Road, Shanghai.

Hoong Soong-mow
項松茂

America Moves to Build Its Own Diplomatic Quarters

A movement to create "an American-owned headquarters for every American diplomatic mission abroad" has been started by Dr. Henry W. Temple of Pennsylvania, new chairman of the House Foreign Relations committee. The proposal involves the expenditure of about G$30,000,000 and will require several years to complete. At present the American government leases most of its consular and diplomatic quarters. Dr. Temple wants the United States to build its own consular buildings everywhere. A report from the Department of State shows that the United States maintains abroad 51 diplomatic missions, 14 embassies and 37 legations. It also maintains 47 consulates-general, 228 consulates, 16 vice-consulates, 53 agencies and three special legations and establishments. This makes a total of 398 missions. Of the 398, the government owns the buildings only in 29 places, and is negotiating for land or construction in 15 others. Practically all of these have been acquired since the war.

Japanese Inventive Ability Being Demonstrated

Japanese telegrams report with great glee that Japanese inventions are continually being utilized in foreign countries. A patent for a lead powder to be used in electric cells, which was invented recently by Genzo Shimadzu of the Japan Electric Cell Manufacturing Co. in Kyoto, has been sold to an Ameaican firm at the price of one million yen. A patent for automatic spinning machinery invented by Mr. Toyoda of Nagoya has been sold to a British firm also at the price of one million yen. Yet another invention by Mr. Fuha of the Tokyo Electric Co. in the form of a frosted electric bulb is enjoying great popularity. A radio-photo service machine invented by Dr. Niwa, is to be shortly installed on the British liners of the trans-Atlantic service, while a sound analytical machine to be attached to a wireless telephone was recently invented by Mr. Kobayashi, a devoted assistant of Dr. Niwa.

Chinese Merchants Protest Against Philippine Ban on Lard

Chinese merchants are urging that the National Government should protest to the Government of the Philippine Islands against the recent measure prohibiting the importation of lard from China. The annual export of lard to the Philippines amounts to 1,250,000 pesos, being one-tenth of the total value of Chinese exports to that territory. It is understood that instructions have been given by the Ministry of Industry, Commerce and Labor to the Inspection Bureau of Commercial Commodities in Shanghai to conduct a thorough investigation into the lard industry in Shanghai in order to provide adequate data to the Chinese Consul-General at Manila, who will be instructed to take up the matter with the Philippine Government.

Abduction of "Socony" Chinese Has Quick Sequel

Three armed men abducted Tsu Yang-san of the Standard Oil Company staff in Shanghai, in front of his home in Hart Road on the morning of August 27. The Police were informed of the number of the car in which he was abducted and two hours later the car was overtaken in Hungjao road with a driver at the wheel, but neither victim or abductors. The driver, however, disclosed the whereabouts of the gang on a vacant bit of ground in the vicinity. Sergeant Golder surprised the gang and shot dead one of the men when he refused to surrender. Two pistols and 15 rounds of ammunition were found on him. Mr. Tsu was escorted back to his home.

Many Merchant Vessels Commandeered by Government

The *Kuo Wen* News Agency states that 19 Chinese vessels has been commandeered by the National Government for military service. They are the coastal liners *Taishun*, *HsinChang*, *Kungpiag*, *Tunan*, *Yushun*, *Kaho* and *Tangshan* of the China Merchants' Steamship Co.; *Hsin Ningshing*, *Shinsi*, *Fengpu* and *Fulung* of the San Pah Steamship Co.; *Shaoshing* and *Yushing* of the Shaoshing Steamship Co.; and the river boats *Ngomi* and *Kiangdah* of the China Merchant's Steamship Co.; *Changshing*, *Tehshing* and *Fuyang* of the Hung An Steamship Co.; and *Tai Soo* of the Tai Dah Steamship Co.

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K. P. CHANG, *General Manager*

New Books of Interest in the Far East

History of Russia

A History of Russia, by George Vernadsky; Yale University Press, New Haven, 1929. 397 pages with 3 maps, appendices, bibliography and index.

The author of this book is Research Associate in history at Yale University. In the words of Professor Rostovtzeff's preface his book was written to satisfy the need in America of "a good, up-to-date, unbiased presentation of the evolution of Russia from the political, economic, religious and cultural point of view".

Professor Vernadsky has apparently fulfilled this requirement, but to us the first part of his book is far less interesting than the second half, which concerns itself with events since the middle of the 19th century. His statements regarding recent history in Russia are simple and lucid, and probably appeal to us more as they treat of situations of which we hear so much.

The author thinks that the defeat of Russia by Japan in the war of 1904-1905 is to be explained on pyschological grounds. "The Russian army was immensely stronger than the Japanese in numbers. As regards quality, the Russian troops were not inferior to the Japanese... The Russian army went into battle without enthusiasm. The deep dissatisfaction of the Russian people with the Government could not fail to be reflected in the army. The war was unpopular in Russia from the very beginning. Its objects were not understood by the Russian people... Every Japanese soldier understood that the war concerned the vital interests of Japan."

The declaration of war by Germany in 1914 was felt quite differently. Its gravity was apparent and Russians were in sympathy with the aims of the Allies. As the Japanese War was the cause of the first revolution in 1905 so the second revolution was brought on by the Great War. "The revolution was hailed by men who desired to continue the war and who imagined that the overthrow of the autocracy would stimulate patriotic feeling in the Russian people, and therby add to their effectiveness as fighters. The most influential group in sympathy with the revolution was the upper middle class, looking for leadership to the liberal members of the Duma. Many of the army officers, including the High Command, were also sympathetic. Finally, the revolution found favor with the representatives of the Allies—France and Great Britain. The Socialist parties immediately following the revolution started propaganda among the masses, advancing a program of extensive social reform. Since the army was composed largely of peasants recruited from the fields this agitation had a serious demoralizing effect. The liberal opposition in the Duma failed to realize the effect of this agitation. They had less contact with the people and completely miscalculated the degree of socialist influence upon the masses. The most serious effect of radical program of social reform was to destroy the morale of the army. The collapse of the Russian army was not the cause, but the result of the revolution. The first troops to become disorderly were reserve battalions and not the active regiments at the front. The army of 1917 was tired, but it was still able for some time to continue fighting. Supplies were at last adequate, and the morale of the active troops would have made possible an active campaign during 1917. But the agitation of the radical groups soon accomplished its purpose. The collapse of strong government, aggravated by the discussion of far-reaching social questions, completely deprived the troops of any desire to continue the war. Once started, the social revolution was destined to destroy the effectiveness of the Russian army."

Lenin's life is sketched in a forceful manner. His return to Russia from voluntary exile was not viewed at the time with alarm by Russians. "The German Government, desirous of using Lenin as a weapon to destroy Russia's military power, agreed to allow him passage from Switzerland to Sweden in a sealed railroad car. Lenin arrived in Petrograd on April 16. 1917. A few days following his arrival, Lenin began to expound his ideas at meetings of workmen and soldiers. He appealed to the Socialists to discard their old-fashioned methods of parliamentary opposition and espouse the class war of communism. The central ideas of his policies were peace to the village huts, war against the palaces and 'rob the robbers'. Lenin's speeches at first merely puzzled the Socialists. His opponents, after hearing him speak, declared: 'A man who talks such nonsense is not dangerous. It is a good thing that he has arrived for now he is in full view. Lenin was very much in view. He worked in the open. With undaunted energy he began by preaching his views and reorganizing the Communist party. His attack against the 'palaces' was forecast by the forcible seizure of a private house belonging to the dancer Kshesinskaya. Neither the Provisional Government nor the Petrograd Soviet succeeded in evicting him from the house which became the headquarters of the Bolshevik faction."

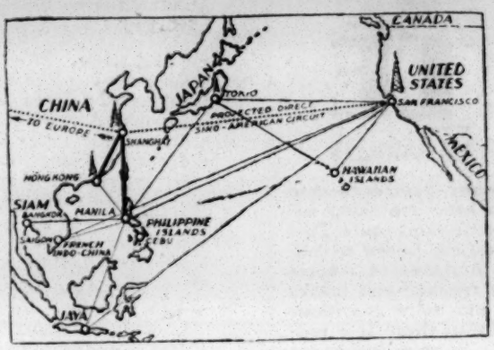
The whole Soviet regime is thoroughly analyzed in this book. Tendencies and forward-looking Soviet resolutions are noted as shown in the following quotation: "The real opinion of the Soviet leaders on the problem of disarmament was plainly attested at the Sixth Congress of the Communist International, held at Moscow from July 17 to August 28, 1928. The Congress assumed without question that a new world war was in preparation by the capitalist and imperialist countries. The Congress debated what tactics should be employed by the laboring masses to avert the supposedly imminent war. According to the resolution of the Congress, labor all over the world has a threefold task in this regard. First, the proletariat of each capitalist country must struggle against its own government. Second, the proletariat of the whold must defend the Soviet Union against the imperialism of its enemies. Third, the proletariat must promote the revolutionary movement in the colonies subject to the Great Powers... A special section of the resolution called for the consolidation of all the Communist parties of Latin America into one united organization and urged active co-operation with the proletariat of the United States. Besides the problem of colonial countries the resolution emphasized the importance of communist propaganda among the negroes, and especially *among negroes in the United States*. Another section of the resolution recommended that Communists should explain to negro workmen and farmers that the Communist party is the only party which can solve the negro problem and secure the emancipation of the negroes from the 'barbaric yoke' of the capitalism of the white man."

We have quoted at length from this book because it so clearly sets forth those Soviet activities which are undoubtedly manifest in this part of the world at the present time. Professor Vernadsky's conclusion is that the present position of the Soviet state can hardly be considered safe. He thinks it is facing a crisis. "The Soviet Government admittedly has been unable to solve its complicated economic problems. The most serious of these arises from the fact that production, both industrial and agricultural, is not able to keep pace with the demands of the constantly growing population ..The Soviet Government has not been disposed to acknowledge that its own principles have been responsible for many of the current dificiencies of the industrial system... It the condition of Russian industry is still abnormal, the position of agriculture is worse. Because of the low price of grain fixed by the Government, the peasants turned to other crops and to animal husbandry and dairying. The peasants are reluctant to sell grain to the Government, even when they are well supplied, and prefer to turn the grain illicitly into spirits. ....The Government is planning now to build up new large state-owned farms run by the most modern machinery in order to become economically independent of the peasants. (Such a farm is described in a recent magazine article from the pen of Anna Louise Strong.) ....It seems that the only way in which the Soviet Government at the present time might manage to settle its difficulties would be to carry out certain *bourgeois* reforms in the Russian economic system. This way, however, was barred by the plenary session of the Central Committee of the Communist party in November, 1928....Instead of getting money by internal economic reforms, the Soviet Government hopes now to secure funds from abroad in the form of loans or payments for various concessions....However, it is doubtful whether the Soviet Government can raise the necessary amount of money from abroad....Thus the seriousness of the present situation in Russia cannot be denied. The Soviet Government can postpone the ultimate solution for some time, but it might then come too late, in the event of some such catastrophe as the famine of 1921-22."

G. B. S.

July 25, 1930.

RADIO WAITS TO SERVE CHINA



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Character of the English

England, Its Character and Genius, by Wilhelm Dibelius. With an introduction by Dr. A. D. Lindsay Master of Balliol College, Oxford. 506 Pages and Published by Harper Bros. New York and London.

Dr. Dibelius is a Professor at the University of Berlin, a philologist and a student of English literature and history. His book on England challenges comparison with Lord Bryce's *American Comonwealth.*

This book is a detailed study of England as a world power and as a state of mind. It begins with a background of history from earliest times right up to the present time. It includes an examination of industries and population, and a psychological study of the national mentality.

The book is more penetrating than any Anglo-Saxon work could be, and it possesses real scientific detachment. In this work Dr Debilius has created a complete commentary of England. It is social, political and economic history, and it is also an interpretation of one national aspect of world civilization.

The book is written in simple straightforward fashion and needs no tricks of sensational style. The overwhelming mass of material is arranged clearly and logically. It is not merely original and penetrating, it shows a grasp of the essence of the English tradition and English institutions. A valuable and reliable book to have on one's book-shelf.

It would not be an exaggeration to say that it is far the most important book of its kind produced during the present period, and it is one of the few books of enduring importance written by a foreigner about another nation. With amazing fairness Professor Dibelius describes, appreciates, interprets and criticises English institutions, ideals, and achievements. There is not the slightest shadow of doubt that he has written a scholarly and fearless book.

From whatever point of view it is regarded, whether of breadth of learning or of keenness of observation, or of clear understanding of the country and its people, it is far and away the most sympathetic, the most thoughtful and the most critical study of England and the English that we have.

As Dr. Lindsay states in his Introduction, the book is a war book in a sense, but of a remarkable and noble kind. It is addressed to a German and not to an English public, designed to help the German people to understand the people with whom they had been fighting during the World War. The author is proud of his own people, and is convinced that they have made their own unqiue contribution to the civilization of the world. But he is trying to undertand, as sympathetically as possible; the contribution made by England.

"If we are going to direct the civilization of the world by co-operation instead of by war, men of different nations will have to learn to understand one another," states Dr. Lindsay, "and one of the most enlightening things about other people is the peculiar way we. (the English) strike them. To see us as others see us helps us to understand ourselves".

A Scotsman squirms when in America remarks are made about his English accent. An Englishman does not like it either because he thinks that the Scotch, the Irish and the Welsh speak with an accent, whilst he just speaks English. The Scotsman recognizes the truth of Mark Twain's observation that even the angels in heaven speak English with an aceent, but the average Scotsman finds it difficult to understand how Americans can possibly suppose that the noises he makes sound like those made by the English. But to a foreigner the common resemblances peculiar to a nation are more striking than the differences within the nation.

Only a foreigner can see the resemblances, and so, only a foreigner can describe a nation's soul. And in spite of all our prejudices against such generalizations we must realise that there is something in these broad national characters. If there is an international conference we are bound to notice that the Frenchmen and the Germans and the Italians are behaving each in their characteristically national way.

Only when we come to understand these broad national differences, are we likely to be able to see the individuality as well.

We read this book, then, not to see the details, but to see what the English look like to an intelligent observer of another nation.

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It would be tempting to quote the most penetrating of the author's remarks, but that process of "picking out the plums" is as unfair as to give away the end of a detective novel. But I should like to call attention to what the author says on page 505:

"And against all the achievements which the world owes to England one fact must be set: the Englishman's one domineering quality, his lust for power which all the outside world feels as a danger, readily as he admits his lasting contributions to civilization. It is a basic fact of his character, it appears not only in wars and forceful colonization, but quite as well in English home politics so long as there is no adversary willing to accept the challenge. Few Englishmen will admit it and it is a hopeless task to try and make them see consciously what exists in their subconscious minds only. It is not a mere force of destruction: wherever the Englishman appears as a conqueror, he will bring with him not only material benefits in abundance, but all his religious and high ethical sense in all questions which do not touch his sense of supremacy..... All world conquerors have degenerated into maniac Caesars and all would-be world monarchies have failed before their task... Nations, like individuals, and the English nation even more than others, require the moral control supplied by the resistence of something like an equal opponent. It would be a loss to the world if there was no powerful England, but it would be a lasting detriment to the world... if England were to become all-powerful.

In conclusion one can safely say that Professor Dibelius has produced a book of amazing depth and completeness. It is the book of a savant, a sincere searcher after truth, who approaches his subject with lack of bias. The work has nothing of academic dryness about it, and the author is one of those rare writers who can be deep without being dull.

H. B. C.

Recent Pamphlets Received

Meifoo Shield, the sprightly house organ of Socony in China, in its current issue contains an excellent article, illustrated with numerous half-tones, on Wuchow, written by Tam Sai-fan. These is also a lively article by E. M. Tenny on "The Ta Pan Goes to Sea", in addition to a number of personal paragraphs.

From the Chinese Press

News items pertaining to Chinese politics and general affairs appearing under this heading, are taken chiefly from the daily reports of the Kuo Wen (independent) Kuo Min (Nanking official) and from translations of articles and dispatches appearing in the local Chinese press.

Friday, Aug. 22.—Gen. Hsu Koh-siang reports further advances northward on Tsin-Pu railway.—Bandit suppression measures for Hupeh, Hunan and Kiangsi are announced at Hankow provisional headquarters.—Memorial service held at Nanking on occasion of fifth anniversary of death of Liao Chung-kai.—Shanghai bank representatives are arrested by Shansi rebel troops when they retreat from Tsinan.—Reorganization of Banque Franco-Chinoise is foreshadowed by appointment of new Chinese officials.—National Thibetan Affairs conference postponed owing to military situation.

Saturday, Aug. 23.—Ministry of Foreign Affairs to take up with foreign countries question of restrictions on Chinese laborers.—National Opium Suppression Commision urges drastic measures to suppress opium trade in China.—Ministry of Education issues regulations for private universities and technical institutes.

Sunday, Aug. 24.—Progress is made by arbitrator in settling Kin Lee Yuan Wharf dispute at Shanghai.—Gen. Han Fu-chu is appointed to command troops to campaign against rebels in northern Shantung.—Government forces occupy Peicheng.

Monday, Aug. 25.—Government defines its attitude on religious education.—Plans for deepening West Lake are submitted by Arthur Shaw, consulting engineer.—President of Chekiang High Court issues order to eradicate corrupt practises among court officials.—Protest is made against continuance of Japanese post offices in Manchuria.—Chiang Kai-shek offers big rewards for early capture of strategic points on Lung-Hai front.

Tuesday, Aug. 26.—Conservancy of Yangtsze is discussed at Ministry of Comunications, Wang Peh-chun presiding.—China Society of Agriculture convenes at Tsingtao.—Products of Soochow agricultural factory, established by government, to be exempted from payment of transit dues.—Weekly memorial service at Nanking reports on political situation in north and north-east.—Chiang Kai-shek issues mandate holding out "olive branch" to Yen and Feng, if they will repent.

Wednesday, August. 27.—Foreign cable companies and Chinese government continue conferences on new contracts at Nanking.—Nanking dissatisfied with British reply on Lennox Simpson *vis-a-vis* Tientsin Customs.—6th Route Army vanguard reaches Weitsho, south of Kaiteng. Plans are made at Nanking to hold 4th Plenary session of C.E.C., now that punitive expedition is almost completed.

Yen Hsi-shan Obdurate on Cigarette Tax

Yen Hsi-shan has refused the request of the British Cigarette Company at Tientsin to rescind the order for the increase in the tax on rolled tobacco. The Company insists on a decrease of the tax before operation of their factory is resumed. In this connection it is stated that German interests have amassed a capital of $50,000,000 for the establishment of a rolled-tobacco company, a permit from the Tientsin Social Bureau for same having been obtained. The German company is to start operations in the coming November.

New Dollar Service to be Inaugurated in Philippines

The Robert Dollar Company has decided to open a new service in the Philippine Islands between Manila, Cebu, Zamboanga and Iloilo. Captain Dollar will arrive in Manila on October 23 and will make the first inter-island voyage on the str. *Mayon* about the end of the same month.

J. Wells has been appointed to take active charge of the new service and will direct the operations from Manila. The operating company will be known as the Philippine Inter-Island Steamship Co.

The Nankai University Committee on Social and Economic Research has issued in pamphlet form the index numbers of the quantities and prices of imports and exports and of the barter terms of trade in China from 1867 to 1928, compiled by Franklin L. Ho, Ph. D.

The British Economic Mission to the Far East

The following is a list of the British Economic Mission which is coming to the Far East:

Sir Ernest Thompson (Chairman), Chairman of the Executive, Joint Committee of Cotton Trade Organizations.

Sir Thomas Allen, Director, Cooperative Wholesale Society.

James Bell, Secretary of United Textile Factory Workers' Association.

William A. Crowther, Director of a firm of woollen manufacturers.

Lieut.-Colonel Reginald Morcom, late Chairman of Council of British Electrical and Allied Manufacturers' Association.

Louis Beale, Special Commissioner to Overseas Trade Development Council.

Attached to the Main Mission there will be a special Cotton Sub-Mission, of which Sir Ernest Thompson will also be Chairman and James Bell a member. Other members of the Cotton Sub-Mission are: F. W. Birchenough, President of the Operative Spinners' Amalgamation; E. Duxbury, Vice-President of the United Textile Factory Workers' Association; J. L. Edmondson, Secretary of the Federation of Calico Printers; George Green, Chairman, Padiham Manufacturers' Association; Arthur Reiss, Managing Director of firm of cotton merchants.

Mr. Jospeh Wild, President of the Wigan and District Cotton Employers' Association.

Civil War Causes Loss to Shantung Railway

A *Rengo* dispatch from Tsingtao states that the total loss of the Shantung Railway Administration due to the civil war is estimated to amount to some $2,000,000. The Railway authorities are endeavoring to restore the railway service; however, things are becoming worse owing to the detention of freight trains by troops under the command of Gen. Han Fu-chu. Office expenses including salaries amounting to $350,000 for this month have been postponed. Japanese consular officials at Tsingtao and Tsinan have started negotiations for the release of the freight trains.

P. W. Tsou to Act as Dean of Nanking College

P. W. Tsou, Commissioner in charge of the Shanghai Bureau of Inspection and Testing of Commercial Commodities of Industry, has consented to act concurrently as the Dean of the College of Agriculture of the Central University at Nanking, of which he was the founder. During the 12 years of his administration, the College grew rapidly and became the centre of agricultural science in East China. Mr. Tsou's work as Commissioner of the Shanghai Bureau of Inspection and Testing of Commercial Commodities has also earned for him high encomiums.

Ningpo Commercial Bank Guarantees Wharf Payments

The dispute over the lease of the Kin Lee Yuan Wharf between the Societe des Missions Etrangeres and the China Merchants S. N. Co., seems now to be fairly settled. Acting on a suggestion from the French Mission an arrangement has been made by the Company whereby the Ningpo Commercial Bank guarantees all payments due by the Company. A final adjustment of the dispute is in the hands of the arbitrators.

The Rise of Democracy in Japan

A Tokyo dispatch says that Dr. Toyohiko Kagawa, a noted social worker, who recently visited China in order to attend a Christian convention in Hangchow, has been elected as the town-headman of Ebara Machi, in the suburb of Tokyo, supported by the labor group in the town assembly. This is one of the first occasions that a town chief has been elected from among the proletarian political camp.

Japan Confers Doctor's Degree on Chinese

The Education Department of Japan has conferred the degree of doctor of medicine on a Chinese named Yin Huei-tien, who completed a course at the hospital attached to the Tokyo Imperial University. He is a graduate of Soochow Medical School. His thesis for the doctorate was entitled, "The bacterial diseases of the Lower Yangtsze regions."

"The Seaboard Route to the North"

Travel on The

Peiping-Liaoning Line

Starting at Peiping, the ex-capital of China, called the most interesting city in Asia, with its intricate systems of walls, its Imperial palaces and its beautiful temples and tombs, the Peiping-Liaoning Line goes down to Tientsin, the great port of Chihli, and from there swings in a wide circle on its pathway to the north. From Lanchow to Chiuchow the railway follows the line of the Gulf of Chihli, passing through Shanhaikwan, where the Great Wall ends at the sea, and thence on to Mukden, the ancestral home of the Manchus, a city which vies with Peiping in its splendor of palaces and temples and ancient shrines.

Through tickets are issued and passengers' baggage registered through between the important stations on the Peiping-Liaoning Railway and the South Manchuria, Chosen (Korean) and Imperial Japanese Government Railways. At Peiping connections can be made with the Peiping-Hankow Railway and with the Peiping-Suiyuan Railway, and at Tientsin connections can be made with the Tientsin-Pukow Railway, for Tsinanfu, Nanking and Shanghai.

For information as to rates, schedules, accommodations, etc. apply to any Tourist Bureau, or communicate directly with the Traffic Manager

Peiping-Liaoning Railway

Head Office

TIENTSIN

An Advertisement of the Chinese Government Railways

No. 2

National City Co. Gold Bond Quotations Received From Head Office

August 28, 1930.

SECURITY	RATE & DATE DUE	Price	Approx Yield%
The National City Bank of New York	Stock	137	——
Argentine Government	6 % May 1, 1960	99⅜	6.05
U. S. of Brazil	6½% Oct. 15, 1957	75⅞	8.87
Chicago Rapid Transit Co.	6½% July 1, 1944	93	7.31
Republic of Costa Rica (Pac. Rwy.)	7½ Sept. 1, 1949	95	8.02
German Central Bank for Agriculture	6 % Oct. 15, 1960	82¼	7.49
Kingdom of Italy	7 % Dec. 1, 1951	98¾	7.11
Japanese Government	6½% Feb. 1, 1954	105¼	6.08
Lautaro Nitrate Co., Ltd., Conv.	6 % July 1, 1954	81	8.32
National Hotel of Cuba, Income Debs.	6 % Sept. 1, 1959	80	7.74
Norwegian Hydro-Elec. Nitrogen Corp.	5½% Nov. 1, 1957	94¼	5.93
Republic of Peru	6 % Dec. 1, 1960	63½	9.77
State of Tennessee Central Rwy.	6 % April 1, 1947	95¼	6.41
Anaconda Copper Mining Co.	Common Stock	45⅜	—
Beaux-Arts Apartments Inc. $6 1st. Pfd. Stock &	Common Stock	90 per unit	
Belgian National way. Pcptg. Pfd. Stock	6 % (Amn. Shares)	81½	7.36
Cannon Mills Co.	Common Stock	21¼	—
General Italian Edison Electric Corp.	Common (Amn. Shares)	35⅞	—
General Mills, Inc.	Common Stock	46	—
General Motor Corp.	Common Stock	44⅞	—
Pennsylvania Railroad Co.	Common Stock	72⅜	—
Standard Oil Co. of New York	Common Stock	31⅛	—
United Aircraft & Transport Corp.	Common Stock	61½	—
United States Steel Corp.	Common Stock	170⅞	—
Pennsylvania - Dixde Cement	$7 Cum. Pfd. Stock	41½	—
Cuban Dominican Sugar	7½% Nov. 1, 1944	28	—
State of Minas Geraes Series A	6½% Sept. 1, 1959	69⅞	9.60
Rhine Westphalia Electric Power Corp.	6 % April 1, 1955	90¼	6.82
Republic of Chile	6 % July 1, 1963	90⅜	6.73
American I.G. Chemical Corp. Conv. Debs.	5½% May 1, 1949	106	5.01
Ilseder Steel Corp.	6 % Aug. 1, 1948	86½	7.37
Saxon Public Works	6½% May 1, 1951	91⅝	7.29
Republic of Finland	5½% Feb. 1, 1958	87	6.51
German General Electric	6 % May 1, 1948	96	6.38
Pennsyivania Dock & Warehouse C.	6 % Aug. 1, 1949	95	6.46
QUOTATIONS RECEIVED FROM LONDON OFFICE			
Republic of China Gold Loan	5 % 1925	64½	—
Chinese Govt. Re-org. (£) Loan Stamped	5 % 1913-60	60	—
Chinese Govt. Re-org. (£) Loan Unstamped	5 % 1913-60	58	—
Chinese Govt. (Crisp Loan)	5 % 1912	35½	—
Shanghai Nanking Railway	5 % 1904/08	47½	—
Shanghai Hangchow Ningpo Railway	5 % 1908/38	69½	—
Hukuang Railway	5 % 1911/1951	21½	—
Tientsin Pukow Railway	5 % 1908/06	20	—

NOTE: The above quotations are received by cable, and whilst believed to be correct, are not guaranteed.

Exchange Circular for week ending Wednesday, 27th August, 1930.

This week an announcement was made that the Indian Government had sold ten million ounces of silver to a leading British Bank. This shook the market considerably on Saturday, and on Monday was reflected abroad in a fall of $\frac{1}{16}$d. in London and G. 0.01\frac{7}{8}$ in New York. Later confidence returned and rates recovered to a certain extent.

A report yesterday of further heavy sales has again weakened the market: the position of the Chinese speculators remains a heavily oversold one and apprehension is felt in some influential quarters about possible difficulties of liquidation when the time comes.

Silver:—opened on the 21st, at $16\frac{1}{16}$d. cash and forward, and G. $36\frac{3}{4}$, closing to-day at $16\frac{1}{4}$d. and G. $34\frac{7}{8}$ respectively.

Exchange:—The official T/T rate on London the 21st inst. was 1/7$\frac{3}{4}$d., lowered to 1/7$\frac{15}{16}$d. on the 23rd, on the 25th to 1/6$\frac{3}{4}$d., raised yesterday to 1/6$\frac{7}{8}$d. and to-day lowered to $\frac{5}{8}$d.

On the 25th inst no further decline and then a recovery set in and after being firm all through, closed at 1/7$\frac{5}{16}$d. and G $39\frac{1}{4}$. Some export bills were negociated, but insignificant amounts. Gold Bars fell to 554.

Yesterday rates again moved upward to start with, but became exceedingly erratic, and governed by the actions of the speculators. Merchants were out of the market. At the close Banks were sellers at 1/7$\frac{1}{16}$d, and G. $38\frac{5}{8}$, the Gold Bar having advanced to 568.50.

This morning a slightly easier tone prevailed, with hardly any business doing.

At the close at noon rates were as follows:—T/T on London 1/7d. T/T on New York $38\frac{15}{16}$, 4 m/s Credits 1/7$\frac{1}{2}$d and G $39\frac{1}{2}$, Yen 127$\frac{1}{2}$, Gold Bar 567.

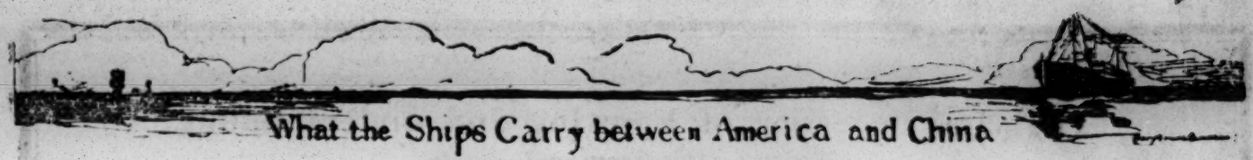
Our stocks of silver are reported as follows:—

Sycee and Bar Silver ... ... Tls. 116,019,000 an increase of Tls. 538,000
Chinese and Mexican Dollars ... ... $148,310,000 a decrease of $1,170,000
Estimated value Tls. 222.802,000 as against Tls. 184.079,000 held at this time last year.

	Average rates for July	Thursday Aug. 21	Friday Aug. 22	Saturday Aug. 23	Monday Aug. 25	Tuesday Aug. 26	Wed Aug. 27
Bank's selling rates		opening closing	opening closing	opening closing	opening closing	opening closing	opening closing
T/T on London	1/5.990	1/7¼	1/7¼	1/7⅛	1/6½	1/6¾	1/6⅝
D/Dfts ,,	—	1/7¼	1/7¼	1/7⅛	1/6½	1/6¾	1/6⅝
4 m/s ,,	—	1/7$\frac{7}{16}$	1/7$\frac{7}{16}$	1/7$\frac{5}{16}$	1/6$\frac{13}{16}$	1/6$\frac{13}{16}$	1/6$\frac{13}{16}$
T/T India	100,820	108¼	108¼	107½	104	105½	104¾
T/T France	926,440	993	993	987	954	967	960
T/T On N.Y. Demand	36,480	39 39	39 39	38¾ 38¾	37½ 37½	38 38	37¾ 37¾
T/T Hamburg R. M.		163½	163½	162½	157	159	158
T/T H'kong	84.940	83½nom.	83½nom.	83¼nom.	83½nom.	83¾nom.	83¾nom.
T/T Japan	135.450	126½	126½	127	131¾	130	130¾
T/T Batavia	90.510	97	97	96¼	93¾	94½	93¾
T/T Straits	154.520	144¼	144¼	145¼	150¼	148¼	149¾
Bk's buying rates							
4 m/s B/L. Cred. D/A	1/6.990	1/8¼	1/8¼	1/8⅛	1/7½	1/7¾	1/7⅝
4 m/s ,, D/P	—	1/8⅜	1/8⅜	1/8¼	1/7⅝	1/7⅞	1/7¾
6 m/s ,, B/L Cred D/A	1/7.240	1/8½	1/8½	1/8⅜	1/7¼	1/8	1/7⅞
4 m/s B/F Cred D/A or D/P	984.000	1055	1055	1050	1010	1025	1015
4 m/s N.Y.Lc.	38.400	40¾	40¾	40½	39¼	39¾	39¾
4 m/s ,, Doc.	—	41¼	41¼	41	39¾	40¼	40¼

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	Aug. 21	Aug. 22	Aug. 23	Aug. 25	Aug. 26	Aug. 27
Bullion.						
*London Price of Bar Silver per oz. (English Standard 925 touch) Pence	16$\frac{11}{16}$	16⅞	16$\frac{11}{16}$	16$\frac{15}{16}$	16$\frac{7}{16}$	16¼
**New York Price of Bar Silver per oz. (Pure)	G.$.36¼	G.$.36⅜	G.$.36	G.$.34⅝	G.$.35⅜	G.$.34⅞
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch)	Tls. 536.00	Tls. 547.00	Tls. 561.70	Tls. 553.00	Tls. 566.00	Tls. 567.00
Shanghai Silver Bars (weight Tls. 100 (Canton) 999 touch)	112.50	112.50	112.50	112.50	112.50	112.50
Shanghai Mexican Dollars per $100	73.	72.975	72.9625	72.925	72.8625	72.85
Native Bank Rate of Interest (Call money)	1%	1%	1%	1%	1%	1%
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	3%	London on Paris	T/T 121.76
Bank of France rate of discount	2½%	New York on London	T/T 486$\frac{1}{16}$
London open Market of Dis. 3 m/s	2$\frac{5}{16}$%	Bombay on London	T/T 1/5$\frac{3}{16}$
,, 4 ,,	2¼%	Hongkong on London	T/T 1/3$\frac{15}{16}$
,, 6 ,,	2⅜%	Kobe on London	T/T 2/0$\frac{3}{16}$



What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs, Pieces; Mille—thousands; Hk. Tls.—Haikwan Tls.

PRESIDENT JACKSON, July 11.
(Agents: Robert Dollar Co.)
From U. S. of America.

Canned Asparagus	Pls.	13
Canned Fruits, Table	,,	95
Ink, Printing	,,	11
Oranges, Fresh	,,	12
Soda, Silicate of	,,	302
Motor-cars	Pcs.	2
Motor-truck Chassis	,,	3
Rubber Tires, Pneumatic: For Motor Cars & Trucks	,,	215
Rubber Inner Tubes: For Motor-cars & Trucks	,,	138
Canned Sardines	Doz.	100
Lemons	Mille	119
Coffee	Lb.	1,920
Rubber Packing	,,	308
Oil, Lubricating, Mineral	Galls.	2,070
Paint	,,	200
Varnishes	,,	50
Infants' Foods	G.Units	400
Machinery	,,	1,143
Motor Cars and Trucks, Parts of	,,	2,857

COURAGEOUS, July 11.
Agents: Lloyd Everett, Incorporated.
From U. S. of America.

Iron and Steel, Galvanized: Wire Cloth	Pls.	29
Iron and Steel, Ungalvanized: Tinned Plates, Plain	,,	3,528
Indigo Paste, Artificial: 20 per cent. strength	,,	1,018
50 per cent. strength	,,	16
Gum Arabic	,,	7
Petrolatum	,,	1,093
Sugar of Milk	,,	101
Sulphur Black	,,	1,396
Tobacco, Leaf	,,	1,867
Oil, Lubricating, Mineral	Galls	5,462
Cigarettes	Mille	25,050

EMPRESS OF CANADA, July 12.
(Agents: Canadian Pacific R'ly Co.)
To U. S. of America.

Silk, Raw, Steam Filature: White, S'hai	Bls.	515	Pls 509.40
Silk, Waste, Refuse: Shanghai	Bls.	12	38.83
Antung, etc.	Bls.	15	50.08
Tea, Black, Congou, Hankow	,,		1,509
Brassware	,,		19
Feathers, Duck	,,		116
Horsehair	,,		78
Skins, Lamb, Untanned	Pcs.		15,940
Skins, Siemian, Untanned	,,		3,900
Skins, Weasel, Untanned	,,		7,000
Skins, Kid, Tanned	,,		6,417

PRESIDENT TAFT, July 16.
(Agents: Robert Dollar Co.)
From U. S. of America.

Copper, Ingots	Pls.	1,932
Flour, Wheat	,,	368
Hams and Bacon	,,	8
Starch, Corn	,,	11
Machines, Adding	Pcs.	7
Machines, Calculating	,,	12
Motor-truck Chassis	,,	4
Rubber Inner Tubes: For Motor Cars & Trucks	,,	498
Rubber Tires, Pneumatic: For Motor Cars & Trucks	,,	20
Hats	Doz.	72
Timber, Softwood: Ordinary, Sawn	Sup.ft.	28,359
Machinery	G.Units	18,184
Motor Cars and Trucks, Parts of	,,	13,045

Latest New York Stock Exchange Quotations

Market: Strong Business Done 1,746,950
August 27.

1929-1930 High	1929-1930 Low	STOCK	Aug. 25	Aug 26
37⅜	21⅞	Adams Express	26⅛	26⅜
156½	108¼	American Can	127⅜	130¼
101¾	56¼	American & Foreign Power	71⅞	73⅜
100⅞	53⅞	American Rolling Mill	54	55¾
79½	53	American Smelting	66⅛	68
274¼	200⅛	American Tel. & Tel.	210⅞	213½
269½	197	American Tobacco "B"	255¾	257
124⅞	78⅛	American Water Works	88¼	91¼
81½	44½	Anaconda Copper	44⅞	45⅝
53⅜	30⅛	Atlantic Refining	34	34⅛
122⅜	98¼	Baltimore & Ohio	97½	98⅝
110¼	75¾	Bethlehem Steel	80¾	82
50½	53⅝	Borg Warner	Mutl.	29
33⅜	13	Calumet & Helca	13½	13⅜
226¾	176½	Canadian Pacific Railway	173½	174¾
125⅛	92	Chicago Rock Island	94¼	95
43	24	Chrysler	28	28¼
44¼	24⅛	Cities Service, Common	27½	27¾
87	57¾	Columbia Gas & Electric	59½	60⅝
37⅜	16	Columbia Graphaphone	13¾	13⅝
20¼	12⅝	Commonwealth Southern	13¾	13¾
6¼	3¼	,, ,, war.	3½	3½
136⅞	96⅝	Consolidated Gas. of N. Y.	104¾	106½
30½	18⅜	Continental Oil	18⅝	19
111⅜	87¼	Corn Products	90	92½
14⅞	6½	Curtiss Wright, Common	7⅛	6⅞
145¼	95⅞	Du Pont de Nemours	112⅞	116
255¼	175	Eastman Kodak	210	214½
117⅝	70¼	Electric Bond & Share	79½	81¾
63¾	35⅛	Eire Railway	37⅞	39
57⅜	16	Fox Film "A"	44	44⅞
95⅜	60⅛	General Electric	70	71⅛
61¼	46⅛	General Food	56	57
54¼	37½	General Motors	44	44¾
106⅞	75⅛	General Railway Signal	77½	77½
47⅞	34½	Gold Dust	40¾	41⅜
58	22½	Goodrich Rubber	22⅛	22⅝
96⅞	54⅞	Goodyear Tire & Rubber Co.	55	56½
59⅞	18	Granby	22¼	23
109	70	Hershey Chocolate	Mutl.	96⅞
75⅝	55¾	International Cement	Mutl.	66¾
14½	5	International Combu. Eng.	5¾	5½
115¾	76	International Harvester	79	79½
44⅜	20	International Nickel	22	22⅛
77⅜	40⅛	International Tel. & Tel.	44	42⅞
148⅜	74	Johns Manville	93	95½
63¾	37½	Kemecott Copper	34⅛	34
35⅜	23¾	Kreuger & Toll	26⅜	26
48⅛	21	Kroger Grocery	25½	26⅜
114⅜	85	Liggett & Myers, "B"	99⅜	100½
95¾	42⅛	Lowes: Inc	71¾	75¼
44⅞	22	Ludlum Steel	23½	24
49⅞	31	Montgomery Ward	32¾	33⅞
32	13⅜	Nevada Consolidated Cop.	14⅛	14⅛
192¾	150¾	New York Central	160½	163¼
107⅛	72	Pacific Lighting	74¼	75
23⅜	12½	Packard Motor Car	Mutl.	13⅛
77¼	48⅝	Paramount—Publix Corp	57¾	59⅛
85⅝	67⅞	Pennsylvania Railroad	71¾	72⅜
16½	10⅛	Pennroad Corporation	10⅞	10⅛
44¾	29⅛	Philips Petroleum	31	31½
123¾	81½	Public Service of N. Jersey	91	92½
69⅜	32½	Radio Corporation	40	40¾
50	19	Radio-Keith Orpheum	33¾	34⅜
58⅝	45¼	Reynolds Tobacco "B"	51½	52
100⅝	59⅝	Sears Roebuck	63	65⅜
25⅛	17¼	Shell Union	14½	14⅜
94⅛	22¼	Simmons Company	24⅞	25⅞
72	52⅝	Southern California Edison	55¼	55
129	84⅛	Standard Gas & Electric	101	102⅜
84⅞	58	Standard Oil of N. Jersey	68½	69⅛
40⅜	30	Standard Oil of New York	30⅞	31⅛
60½	52⅛	Texas Corporation	51⅛	51¾
67⅜	48⅛	Texas Gulf Sulphur	57¾	58⅝
89¼	59¼	Timken Roller Bearing	66	69⅛
47⅜	19⅛	Trans America	20¾	21⅛
106⅜	60⅛	Union Carbide & Carbon	75¼	77
242¾	200	Union Pacific Railway	216½	216½
99	43½	United Aircraft & Transp't	61	62¾
49⅜	31¼	United Gas & Improvement	35½	36¼
35	20	U.S. Rubber	20	20¾
198¾	151⅝	U.S. Steel	167¼	171¼
143¼	49⅞	Vanadium	83	86½
80¼	27¼	Warner Bros. Pictures	24⅝	26¾
201	124¼	Westinghouse E. & M.	144⅝	149
72⅜	51⅝	Woolworth	60⅜	61
		Call Money	2%	2%

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The vital necessity of knowing and understanding!

WHO'S WHO IN CHINA

One would not think of residing in, or doing business on a large, or even moderate scale, in any country without making a serious effort to know and understand the political, business, financial and professional leaders of that country. This is particularly true of China where shifting political and economic conditions are always linked up with individuals who thus exercise tremendous influence upon the course of events.

As a direct result of the desire to know the individuals who are leaders of affairs, private and governmental, there has been published in practically every country a book popularly known as "Who's Who," which contains biographical sketches of the great and near-great. Thus we have "Who's Who in America," Who's Who in Great Britain," "Who's Who in Japan," Germany, France, Italy, and so on.

The compilation of a "Who's Who in China," containing the pictures and biographical sketches of political, business, financial and professional leaders of China in the English language. was started in 1917, some thirteen years ago. The first volume, published in 1918, contained only 59 biographical sketches, but the second volume, published in 1920, contained 153. Since that time the book has grown until the volume published in 1926-1927 contained more than 500 biographical sketches. In 1928 a supplement was issued containing more than 100 sketches of new leaders, chiefly these who emerged as a result of the Nationalist Revolution which brought new figures to the helm in both business and politics.

Work has now started on the 1930 edition, which will be the most ambitious publication of the kind ever attempted in Asia. It will be all-inclusive in that will include a complete record of all leaders in the country in the fields of politics, business, finance and the professions. It will be well bound, printed on good paper stock, 8-in by 10½-in, of more than 1,000 pages, and will be a welcome addition to any business office or home library.

The value of this book will immediately be realized by all foreigners as well as Chinese who are interested in the commercial, financial and political affairs of China, due to the vital necessity of knowing intimately the men who are directing the affairs of contemporary China.

Owing to the heavy expense of publication, it is necessary to know as far as possible, how many copies will be desired by the public, hence this offer of a reduced price to advance subscribers of $10 a copy, the price after publication being $12, (Chinese Currency).

Please fill out the attached form and mail immediately.

(ATTACH THIS COUPON TO YOUR CHECK)

MILLARD PUBLISHING COMPANY
Publishers of
WHO'S WHO IN CHINA
(Biographies of Prominent Chinese)
38 Avenue Edward VII
SHANGHAI.

Shanghai,.....1930.

Please enter order for.....copies of Who's Who in China" at the pre-publication price of Mex. $10 a copy. Check is attached herewith.

Name.....

Address.....

NOTE: *In case they are not already included, I would recommend the inclusion of the biographies of the following Chinese in the forthcoming edition of Who's Who:—.....*

.....

.....

BACK ISSUES WANTED

Owing to requests which have been received from subscribers desiring a complete file of The China Weekly Review for binding and filing purposes, The Review will pay 50 cents each (big money) for each of the following issues, Five copies of each of the following numbers are desired.

September	6	and	13,	of	1919	
Decembor	27	1924	Vol.	31	No.	4
February	14	1925	„	31	„	11
June	20	1925	„	33	„	3
September	12	1925	„	34	„	2
September	26	1925	„	34	„	
June	30	1926	„	35	„	8
August	11	1926	„	37	„	10
August	28	1926	„	37	„	11
September	4	1926	„	38	„	1
September	25	1926	„	38	„	4
October	16	1926	„	38	„	7
October	23	1926	„	38	„	8
November	6	1926	„	38	„	10
December	11	1926	„	39	„	2
February	19	1927	„	39	„	12
February	26	1927	„	39	„	13
March	26	1927	„	40	„	4
April	2	1927	„	40	„	5
April	9	1927	„	40	„	6
April	16	1927	„	40	„	7
April	23	1927	„	40	„	8
March	3	1928	„	44	„	1

Mail with statement to

The China Weekly Review

38 Avenue Edward VII

Shanghai

THE CHINA TIMES

is the only Chinese Daily Newspaper that has a definite Editorial Policy—that of advocating goodwill, justice, and peace; noted for its most educational and constructive comments and criticisms on the important topics of the day; unequaled for its modern and scientific method of news presentation; always taking lead among the contemporaries; unrivaled in printing on account of its very latest printing press; with these has come an ever increasing popularity and circulation which gives the paper an enviable position as an effective advertising medium.

ECONOMY

OF

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Energy: Condensed News
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